



**GOVERNMENT OF THE REPUBLIC OF NORTH
MACEDONIA**

MINISTRY OF LABOUR AND SOCIAL POLICY

**REVISED EMPLOYMENT AND SOCIAL REFORM
PROGRAMME
(r) ESRP2022**

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Abbreviations

ESARNM – Employment Service Agency of the Republic of North Macedonia

GDP – Gross domestic product

OSH – Occupational Safety and Health

BDE – Bureau for Development of Education

VNFIL – Validation of Non-Formal and Informal Learning

YG – Youth Guarantee

GMA – Guaranteed Minimum Assistance

GIZ – German Agency for International Cooperation

ESC – Economic and Social Council

ESRP – Employment and Social Reform Programme

EU – European Union

IPA – Instrument for Pre-Accession Assistance

IEP – Individual Employment Plan

ISCED – International Standard Classification of Education

PHI – Public Health Institution

PI – Public Institution

CH – Clinical Hospital

LESC – Local Economic and Social Council

ICF – International Classification of Functioning

MLSP – Ministry of Labour and Social Policy

MES – Ministry of Education and Science

ILO – International Labour Organisation

NEET – Neither in Employment, Education or Training

NQF – National Qualifications Framework

RNM – Republic of North Macedonia

OP – Operational Plan for Active Employment Programmes and Measures and Labour Market Services

WHO – World Health Organisation

VET – Vocational Education and Training

HIFRNM – Health Insurance Fund of the Republic of North Macedonia

PDIFNM – Pension and Disability Insurance Fund of North Macedonia

EC – Employment Centre/s

VETC – Vocational Education and Training Centre

CSW – Centre/s for Social Work

UNDP – United Nations Development Programme

DDPLEMC – Directorate for Development and Promotion of Languages in the Education for the Minority Communities

1. INTRODUCTION

1.1 ESRP preparation and monitoring

The Employment and Social Reform Programme 2020 (ESRP 2020) was initially adopted by the Government of the Republic of North Macedonia in August 2017. Following the adoption of the ESRP Programme, regular monitoring and reporting on the progress in the implementation of the Programme was provided by the Sector Working Group on “Education, Employment and Social Policy”. In 2018, the first report on monitoring the implementation of the ESRP was prepared. Two years after the active implementation of the objectives and measures of the ESRP 2020, the need for its revision arose. The revision was driven by policy changes, some of which – such as those in the social policy sphere – had structural shifts; as well as the current trends and developments, through which the need for revision of some of the target values in ESRP 2020 was identified.

The revision extended the ESRP timeframe until 2022. **The revised Employment and Social Reform Programme 2022 – (r) ESRP 2022** establishes the reforms and policies that will be implemented within the three priority areas:

1. Labour market and employment

2. Human capital and skills and

3. Social inclusion and social protection

In the Revised ESRP 2022, progress was noted during the two years following the adoption of the ESRP 2020, which implied a significant revision of the measures and target values of the indicators. Namely, in the Revised ESRP 2022, for each area, a specific number of headline indicators, outcome indicators and process indicators are defined to measure the overall progress in each area of the ESRP. New target values for 2022 have been established for all indicators.

The ESRP monitoring is the responsibility of the Sector Working Group on “Education, Employment and Social Policy”. In the preparation of the Revised Programme, additional consultations were provided with the social partners and civil society representatives active in the areas covered by the ESRP, in order to inform them about the content of the Revised Programme and provide comments and views. The Sector Working Group is a key policy dialogue platform co-chaired by the Minister of Education and Science and the Minister of Labour and Social Policy. The Sector Working Group consists of representatives of the following institutions: Ministry of Labour and Social Policy, Ministry of Finance, Ministry of Education and Science, Ministry of Health, Cabinet of the Deputy Prime Minister of the Republic of North Macedonia in charge of Economic Affairs, Coordination of Economic Sectors and Investments, Secretariat for European Affairs, State Labour Inspectorate, State Statistical Office, Bureau for Development of Education, Employment Service Agency of the Republic of North Macedonia, Vocational Education and Training Centre, Centre for Education of Adults, PI Institute for Social Activities - Skopje, National Agency for European Educational Programmes and Mobility. During 2021, the Sector Working Group held two meetings, at one of which the progress in the implementation of the Revised ESRP 2022 was reviewed.

This Annual Report on the implementation of the "Revised Employment and Social Reform Programme 2022" for 2021 was reviewed by the Sector Working Group at its meeting held on 23 May 2022. **The report was adopted by the Government of the Republic of North Macedonia in September 2022 (82nd session of the Government of RSNM held on September 13, 2022).**

1.2 Summary of the progress in the implementation of the ESRP

Section 3 of this report presents in detail the progress in the implementation of the ESRP 2022. Based on the analysis, it can be concluded that despite the challenges faced by North Macedonia in 2021, progress has been made in achieving the strategic objectives in the three priority areas. The challenge in 2021 in North Macedonia, as in the rest of the world, was still the COVID-19 pandemic, and the health and other restrictive measures that were implemented to limit the spread of the

pandemic and protect the health of the citizens, but also the energy crisis and the growth of prices of primary energy and non-energy products.

Priority area 1: Labour market and employment

This priority area includes four strategic objectives. In 2021, significant progress (and partial exceeding of the targets set for 2022) has been achieved in improving the unemployment situation, especially among the most vulnerable categories. Progress has also been made regarding the specific objectives for tackling informal employment and strengthening social dialogue. Limited progress has been made in improving the work and services of the ESARNM, which was supposed to serve a larger number of clients affected by the crisis, with the same human resources, and at the same time continue to implement the initiated reforms - Youth Guarantee and Activation of Beneficiaries of Guaranteed Minimum Assistance.

The ESRP sets a total of 10 indicators to measure the improvement of the unemployment situation, especially among the most vulnerable categories of persons (young, long-term unemployed and others). Despite the health and economic crisis that continued in 2021, the key labour market indicators have improved. An exception is the long-term unemployment rate, which has slightly deteriorated.

The NEET indicator, which showed a certain deterioration in 2020, improved again in 2021, i.e., there was a decline by %. There is a deterioration in the indicator of registered employment of persons with disabilities in the open economy, in relation to employments in sheltered companies, but the target predicted for 2022 has still been exceeded.

In 2021, the Youth Guarantee **included 19,322 young unemployed persons (9,663 women), 7,135 of whom were employed, and 929 persons were involved in some of the active employment measures** that are aimed at increasing the employability of young people. Accordingly, **the success rate of the Youth Guarantee is 41%.**

The coverage of young people (15-29) with employment programmes, measures and services, within the annual Operational Plans reached 66.5% for active measures and 29.3% for labour market services, which is exceeding the set target of minimum 30%. The share of unemployed persons – recipients of benefits from the Centres for Social Work, in the total number of participants in active employment programmes and measures and labour market services of 6.5% in active measures and 17.6% in services shows growth compared to previous years, however it is still below expectations, i.e., below the annual target of 30%.

In 2021, the ***National Strategy for Development of Social Enterprises 2021-2027*** was adopted. The goal of the Strategy is the development of a sustainable eco-system that will be encouraging and enabling for social enterprises in the country.

In the Macedonian labour market, there is a gender gap in terms of the participation of men and women. The low participation of women in the labour market compared to men remains one of the main challenges, although a reduction has been observed in recent years, which is due, among other things, to the systematic and coordinated approach in the implementation of policies from several domains.

The employment rate among women (38.4%) is lower than among men (64.3%), i.e., only 45.5% of able-bodied women in the country are active, in contrast to 77.1% of men. Women are in a more favourable position with regard to the unemployment rate solely in terms of the fact that it is 1.9 percentage points lower compared to the unemployment of men.

A new Law on Labour Relations is in the process of preparation which, among other things, will harmonize certain rights from the national legislation with the Directive 92/85/EEC on the introduction of measures to encourage improvements in the safety and health at work of pregnant workers and workers who have recently given birth or are breastfeeding, the Directive on work-life balance for parents and carers 2019/1158, as well as with the Convention (no.183) and the Maternity Protection Recommendation (no. 191) of the ILO. The new text of the Law provides for a series of new provisions that require changes in order to harmonize the professional and private life of the workers.

The insufficient number of services for the elderly, especially in rural areas, is also an obstacle for the active participation of women in the economy. Therefore, the activities for the development of care services for the elderly and infirm, such as home care services, personal assistance, opening of residential facilities for the elderly, etc. continued.

Progress has also been made in **dealing with informal employment**. The ESRP sets one indicator for measuring progress in the field of the informal economy, which is the participation/share of informal employees in the total number of employees. This indicator has a value of 12.1% in 2021 (further improvement compared to 2020, when the set target of 16.5% by 2022 was exceeded).

Improving the quality of work and services of the public employment service. The ESRP sets out five indicators to measure the progress in improving the quality of the operation and services of the ESARNM. Progress in this area is slower than planned.

Throughout 2021, a total of six trainings were organized for 253 employees in the ESARNM, which is below the set target of minimum 550 employees, i.e., each of the employees to be involved in a training/seminar at least once a year.

In 2021, the Employment Centres in Kumanovo and Tetovo were renovated.

Electronic data exchange and development of Individual Activation Plans between the Employment Centres and the Centres for Social Work has been established. As of 31.12.2021, 2,118 individual activation plans were developed.

The **job search assistance service**, which includes profiling and development of individual employment plans for unemployed persons, employment counselling, providing information on the needs of the labour market, vacancies, etc. **covered 45,640 persons in 2021, 23,647 of whom were women and 14,199 young people up to 29 years of age.**

In 2021, 4,070 IEPs-2 were developed (individual employment plans for hard-to-employ persons, i.e., for persons facing significant barriers to inclusion in the labour market). This is an improvement compared to 2020, but it is below the target for 2022. The number of persons for whom an IEP-2 will be developed, i.e., an IEP for hard-to-employ persons, depends on the number of unemployed persons who, based on the profiling, have been determined to fall under the category of hard-to-employ persons.

During 2021, a total of 4,151 requests for employment mediation were submitted. The mediation involved a total of 23,892 people (women – 11,347; young people up to 29 years of age – 6,049) and 2,751 people were employed (women – 1,875; young people up to 29 years of age – 882).

In 2021, 5,133 meetings were held with the employers. The meetings with the employers were organized in order to inform and acquaint employers with the benefits of employing various target groups of unemployed persons, inform them about the active employment measures, the possibilities of finding suitable workers according to their needs, etc.

Strengthening social dialogue and promoting collective bargaining. The ESRP sets a total of five indicators for measuring the strengthening of social dialogue at tripartite and bipartite level, at national and local level, as well as the promotion of collective bargaining. Thus, the fulfilment of the set targets in 2021 is for now partial, especially in the part of trade union density rate, where a slight decline was recorded again, although last year there was a de facto increase of the number of trade union members. The decline is attributed to the fact that the number of employees in the country is growing faster than the number of unionized workers. Further progress has been made in the collective bargaining coverage rate at the employer level compared to 2020 and the 2022 target has been exceeded. Progress has been made in the rate of successfully resolved collective labour disputes through the mechanism for amicable settlement of labour disputes, given that the only collective dispute initiated through this mechanism was successfully resolved. In addition, the mechanism for following the recommendations of the Economic and Social Council and regular monitoring of the number of opinions/recommendations issued to the Government of the RNM is functional. Last year, an increasing number of opinions and recommendations of the ESC submitted to the Government was recorded, and the ESC is profiled as an important and visible factor in the adoption of economic policies and labour market policies.

Priority area 2: Human Capital and Skills

The priority area "Human Capital and Skills" includes three specific Objectives: ensuring quality inclusive education and equal access to education for all; implementation of the National Qualifications Framework - basis for quality assurance in the education system; and training and strengthening the employability of the workforce and building flexible lifelong learning pathways. Significant progress has been made in all three specific Objectives, where most of the targets have either already been met or are almost certain to be met. Further and rapid progress is needed in the third specific Objective, specifically in relation to the population involved in lifelong learning (where the percentage is quite low, lower compared to 2021, and is well below the targeted value).

The progress in this strategic Objective is measured by the headline indicator Human Development Index. The value for the indicator in 2021 is not yet available. The Human Development Index in 2019 was 0.774 and is below the target of 0.780.

Ensuring quality inclusive education and equal access to education for all. The ESRP envisages three indicators for ensuring quality inclusive education and equal access to education for all. In 2021, progress was made in some of the set indicators, whereby in the case of the rate of early school leavers, the set target for 2021 of 6.8% has already been exceeded (the dropout rate is 4.6% in 2021). The other two indicators showed a slight deterioration compared to 2020. Namely, the share of people aged 30-34 who have completed tertiary education decreased to 36.9% in 2021 (from 39.7% in 2020) and is below the target for 2022. The rate of students with special needs included in regular primary and secondary education increased to 66.6% (from 64.8% in 2018), but compared to 2020, it shows a slight deterioration.

During 2021, progress was made in the inclusion of children from marginalized groups, primarily in primary education. The adapted curricula for children who were not included in the classes, and who are over the age limit, began to be applied. In 2021, the number of scholarships awarded to Roma high school students again increased (800 scholarships in 2019, 900 in 2020 and 917 in 2021). The dropout rate of students benefiting from scholarships is less than 1%.

The procedures of all state primary schools for students with special educational needs have been completed, which transformed them into primary schools with a resource centre. 500 educational assistants have been hired to work with students with disabilities in the primary schools for the academic year 2021/2022.

Significant progress has also been made towards improving the integration and interaction between students attending classes in a different teaching language. For the first time, *Standards for Intercultural Education in Primary Education* and *Guidelines for Organizing Joint Curricular Classes* (with students attending classes in different teaching languages) were adopted.

A new *Concept Note on Primary Education* was adopted, the implementation of which began in stages (for students in first and fourth grade) from the academic year 2021/2022. In parallel with the *Concept Note*, the *National Standards for Primary Education Students* were also adopted.

Reconstruction and construction/extension of new schools/facilities, as well as sports halls was made.

In 2021, a procedure was implemented for the first time for the promotion of teachers to the title of teacher-mentor. In the first public announcement, 141 teachers from primary schools were promoted to the title of mentor.

Implementation of the national qualifications framework - basis for quality assurance in the education and training system. The progress in this area is measured by three indicators. Two of the set indicators have already been achieved. A functional Skills Observatory has been established, as well as a functional Qualifications Register, the procedure for the upgrading of which was started in 2021. Some progress has been made in increasing the number of sectoral qualification councils (the number has increased from 10 to 11 in 2021), but further progress is needed to achieve the target of 16 sectoral councils in 2022. In 2021, the National Board for the Macedonian Qualifications Framework worked continuously/regularly and held sessions, for which financial resources were provided in the Budget of the MES. In 2021, another additional Sectoral Council for Traffic, Transportation and Storage was established.

Strengthening the employability of the workforce and building flexible lifelong learning pathways .

The ESRP 2022 sets out four indicators for monitoring the progress in achieving this Objective. In 2021, further progress and exceeding of the target for 2022 has been achieved in terms of student participation in secondary vocational schools as % of the total number of students in secondary education. This indicator was 64% in 2021 (target > 60%). The share in lifelong learning (2.5%) is still below the 2022 target of 4%. Excellent progress has been observed in the employment rate of persons (20-34 years) who have recently graduated from secondary or higher education, which increased to 58.2% (from 54.5% in 2020) and thus exceeded the target of 55%. In 2021, the three Regional Centres for Vocational Education and Training officially started operating and the Ministry of Education and Science started the procedure for their reconstruction.

The curricula for the fourth year of dual vocational education and the curricula for the new classes and professions have been developed and adopted. 1,384 students are enrolled in dual education in the academic year 2021/2022 in 44 schools in cooperation with 220 companies. This academic year, the number of dual classes in the country has increased from 11 to 97. The competition for student enrolment for the academic year 2021/2022 is fully harmonized with the needs of the labour market.

Priority area 3: Social Inclusion and Social Protection

This strategic Objective includes six specific Objectives: increasing the efficiency and effectiveness of the social assistance system; improving the availability of social services; support and promotion of deinstitutionalization; promoting the social inclusion of Roma; tackling the key challenges relating to the sustainability of the pension system; tackling the key challenges in the field of the health system and public health care. Progress has been made in terms of all of these Objectives, with more efforts being made to meet the targets set by 2022, especially in the area of promoting the social inclusion of Roma (particularly in the area of housing/social apartments).

The headline indicator for this strategic Objective is the poverty rate. The target for this strategic Objective is to reduce the poverty rate to 16% in 2022. The poverty rate in North Macedonia is high and amounts to 21.8%. This fulfilled the expectations that the pandemic worsened the relative poverty and income inequality, but to a small extent, among other things, due to the government measures targeting the lower-income segments. Therefore, for example, at the same time, there was an increase in the number of households covered by all types of social security benefits, which certainly contributed to the alleviation of poverty.

Increasing the efficiency and effectiveness of the social assistance system. The ESRP sets a total of four indicators for measuring the efficiency of the social assistance system. There is data available for some of the set indicators. So far, the indicators show some increase in the coverage of households with social assistance, as well as benefits for protection of children and the elderly over the age of 65. According to the data from the Survey on Income and Living Conditions (SILC), there is a more significant impact on poverty solely among the elderly, while children are the most affected group of the population when it comes to the effect of the pandemic on household income and poverty (the poverty rate grew from 27.8% in 2019 to 30.3% in 2020).

According to the data from the Ministry of Labour and Social Policy, the number of households receiving Guaranteed Minimum Assistance (GMA) at the end of 2021 was 37,109 compared to the 25,095 households that received GMA in 2019, when the reformed system of social and child protection was introduced. In 2020, the number of households receiving GMA increased by 8,235 new beneficiaries, while in 2021, 3,779 new households entered the system, resulting in a total increase of 48% of GMA beneficiaries over a two-year period. In December 2021, 10,292 elderly people over the age of 65, who could not provide for their livelihood on other grounds, exercised their right to social security. This exceeds the planned coverage of 6,000 elderly people.

In 2021, the right to child allowance was exercised by an average of 48,000 children, while the right to education allowance was exercised by 28,814 pupils and students. With the funds provided for payment of an education allowance, parents are assisted in paying school expenses in order for students to regularly attend classes and prevent early school dropout.

Improving the availability of social services. The ESRP sets out three indicators for measuring progress in the availability of social services. Solid progress has been made in the established local

councils for social protection, which monitor the involvement of municipalities in the planning and provision of social services – 60 local councils have been established. Excellent progress has been made in the indicator of establishing regional councils for social protection, more precisely, 7 councils have been established, therefore it can be expected that the target of 8 councils in 2022 will be met in full. The target for the number of licensed non-public service providers has been met and significantly exceeded (62 in 2021, and the target for 2022 is 30), which ensures greater availability of social services, although there is an uneven geographical distribution.

Support and promotion of deinstitutionalization. The ESRP sets a total of three process indicators for measuring the promotion of deinstitutionalization. In two of them, which are interconnected (number of persons accommodated in housing units for assisted living or group homes and number of persons accommodated in residential institutions for social protection), after the stagnation in 2020 due to the pandemic, progress has been made in 2021, i.e., a total of 20 beneficiaries were resettled to four new residential units for supported living, and additional 15 beneficiaries are being prepared. In December 2021, a total of 241 people were accommodated in housing units for assisted living. The number of beneficiaries of social services has increased, especially home services and extra-familial care services.

At the end of 2021, 226 persons were still living in residential institutions for social protection.

The transformation of the social residential institutions continued: In July 2021, the first two public centres for supporting foster families in Skopje and Bitola (in the former residential social institutions for accommodating children) started operating. In the third quarter, the first private centre for supporting foster families in Skopje started operating, managed by a civil society organisation and properly licensed to provide this social service. The three centres for supporting foster families will provide this service to 327 foster families in which a total of 559 beneficiaries are accommodated.

Promoting the social inclusion of Roma. The ESRP sets a total of 10 indicators for measuring the promotion of the social inclusion of Roma, divided into three parts: labour market, education and health care. Progress is observed in the indicator of Roma involvement in active employment programmes and measures and the indicator of Roma participation in the total number of registered unemployed persons in the ESARNM (%), where the set targets for 2022 have also been exceeded. There is also progress in the inclusion of Roma children (0-6) in preschool education, although it is still far from reaching the target for 2022.

Further effort is needed to improve the situation with the secondary and higher education of the Roma. The number of enrolled Roma students increased compared to 2019: in 2021, 263 Roma students were active, 110 of them were supported by a scholarship from the MES, and 47 of them were enrolled in first year. Progress has also been noted in the transition rate of Roma Students from primary to secondary education from 77.4% in 2019 to 78% in the academic year 2021/2022. Only the transition rate of Roma students from secondary to higher education shows a decrease from 40.5% in 2019 to 33.5% in 2021. This is due to the fact that during the pandemic, young Roma became active in the labour market. Additional efforts are needed in all indicators in order to meet the targets set for 2022. For this purpose, the MES foresees Roma educational mediators for secondary education who will encourage Roma high school graduates to continue with higher education.

In the field of social housing and living conditions in general, in 2021, seven projects of communal infrastructure were implemented in settlements with predominantly Roma population, which is far below the target of 23 projects set for 2022. Construction of new social housing is underway, and in 2021 part of the social housing dwellings were allocated, but there was no Roma among the beneficiaries (no Roma signed up for the call).

Tackling the key challenges relating to the sustainability of the pension system. The ESRP sets two outcome indicators for measuring the tackling of key challenges in the pension system sustainability, but only the % of source revenues in relation to total expenditures of the PDIFNM shows progress, while the % of average pension in relation to the average salary, which measures the adequacy of pensions, is declining. In 2021, the percentage of source revenues in relation to total expenditures of the PDIFNM increased by 0.5 percentage points compared to 2020, but is below the target set for 2022.

The average pension was 53.02% in relation to the average salary and showed a slight decrease compared to 2020 and is still below the level of 2018 (59.5%) and the target of 60% set for 2022. The average salary grew faster than the average pension. In order to protect the standard of pension beneficiaries, the Government of the Republic of North Macedonia has made a commitment in its programme to provide a stable pension system for current and future retirees. In this sense, at the time of preparation of this report, an amendment to the methodology for the regular harmonization of pensions is being prepared.

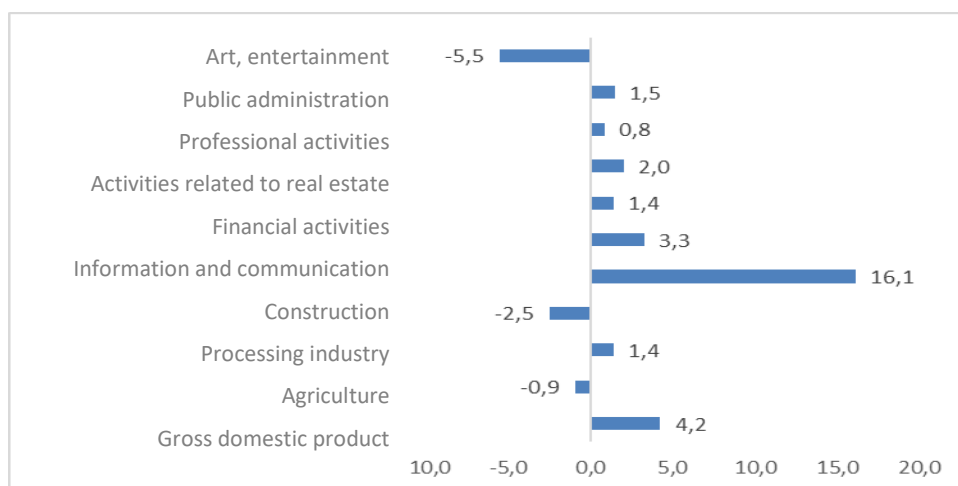
Tackling the key challenges in the field of the health system and public health care. The outcome indicator infant mortality rate in 2020 showed a slight increase to 5.7 per thousand live births (compared to 5.6 per thousand live births in 2019), but is below 7 per thousand live births, which is according to the target set for 2022. For 2021, the data will be published in June. In 2021, the integrated health information system “Moj termin” was upgraded with 8 new modules, and thus the target for 2022 has been exceeded.

In 2021, the reconstruction of the Strumica General Hospital was completed, and the Special Hospital for Gynaecology and Obstetrics “Majka Tereza – Skopje” and the General Hospital – Kumanovo were gasified. The reconstruction of the access paths at the University Clinical Centre “Majka Tereza” in Skopje was completed, and 16 modular covid centres and new modular outpatient clinics have been installed for the University Clinic for Pulmonology and Allergology – Skopje. The integrated health information system “Moj termin” was upgraded with eight new modules, and thus the target for 2022 has been exceeded.

2. ECONOMIC-SOCIAL CONTEXT AND CONDITIONS

The COVID-19 pandemic caused a decline in the economy of North Macedonia by 6.1% in 2020. At the same time, the recovery from the pandemic is at a slower pace than expected. Namely, in 2021, according to the preliminary data of the State Statistical Office, the GDP growth was 4%, which in fact means that the Macedonian economy has not yet reached the pre-crisis level of 2019. The main reason for the low intensity of economic recovery is the prolonged health crisis, as well as the disrupted supply chains. The economic recovery in 2021 comes mostly from trade, while other branches show minimal growth or decline (see Chart 1).

Chart number 1 – Gross domestic product, revenue side (2021)



Source: State Statistical Office

The construction sector, after a 4% decline in 2020, showed an additional 2.5% decline in 2021, while agriculture showed similar results (3% decline in 2020 and 0.9% decline in 2021). The processing industry, after a significant decline of 6.5%, showed a modest growth of 1.4%, i.e., far from the pre-pandemic level.

On the expenditure side of the GDP, a solid growth of gross investments, exports and imports is observed on an annual basis. However, the higher growth of imports than exports points to a negative contribution of net exports to economic growth, as well as relatively strong household consumption (private consumption).

The geopolitical risks (military conflict between Russia and Ukraine), as well as the problems in the international supply chains will negatively affect the economic growth in 2022 as well. The initial projections for the growth of the economy in 2022 were 4.6% (Ministry of Finance) and 4.2% of the IMF. The IMF recently lowered this projection to 3.2%.

As a result of the packages of measures taken to address the pandemic and the economic crisis caused thereby, the budget deficit in 2020 reached 8.2% of the GDP. In 2021, the deficit decreased, but still stood at a high 5.4% of the GDP. These developments caused the public debt to grow to a level of 60.8% of the GDP.¹

Contrary to expectations, the developments on the labour market in North Macedonia are quite favourable despite the decline and low growth of the economic activity in the past years. The activity rate in 2021 decreased compared to 2020, from 56.4% to 56% (although the activity of the population aged 15-64 remained unchanged). The employment rate remained unchanged, while the unemployment rate decreased from 16.4% in 2020 to 15.7% in 2021. A decrease was also noted in the unemployment rate among the youth, which reached 27.6% (from 29.6% in 2020).

¹ [Public debt \(finance.gov.mk\)](https://finance.gov.mk).

The escalation of the Russian-Ukrainian conflict caused a strong growth and high volatility in the prices of primary energy and non-energy products. In 2021, the inflation rate measured through the living costs was 3.2%, which is the highest level in the past eight years. Additionally, in the first three months of 2022, the inflation rate was 7.7%. At the same time, the growth of prices is mostly due to the growth of prices of energy and food, i.e., products whose price the National Bank cannot significantly influence. That is why the policy of the National Bank to moderately increase the base interest rate is justified.

With regard to the educational indicators, North Macedonia shows a continuous improvement in several indicators (especially those for the youth) and is increasingly approaching and even exceeding EU countries. In 2021, the participation of young people aged 30 to 34 with completed tertiary education in North Macedonia was 36.9% (compared to 17.1% in 2010), with which they approached the young people from the EU (41.6%).ⁱ Despite this progress in the educational indicators, there is still a large share of young people aged 15-29 in North Macedonia who are not in education, employment or training (NEET rate), i.e., 24.3%, which is almost twice the average of the EU-27 (13.1% in 2021). North Macedonia lags behind the EU in the indicators that measure the transition from education to the labour market (or employment). For example, in 2021, 78.67% of young people (20-34) in the EU were employed 1-3 years after completing their education, which is the case with 58.2% of young people in North Macedonia.

3. PROGRESS IN THE IMPLEMENTATION OF THE ESRP 2022 OBJECTIVES

This part of the report contains information on the progress for each Objective and on the progress in achieving the target values of the indicators. Details of the progress made by measures/activities and the challenges in implementing the activities are presented in Annex 1 to the report. Annex 2 provides a progress summary by indicators.

LABOUR MARKET AND EMPLOYMENT

In terms of the headline indicators for this strategic Objective, progress has been made in the male employment rate indicator, while there is a slight deterioration in the female employment rate and the youth employment rate indicators. The overall employment rate is unchanged compared to 2020, with a decline in private sector employment. All four indicators show progress compared to 2018 (the initial year of the Programme), but further progress is needed to meet the targets for 2022.

Headline indicator	2018	2019	2020	2021	2022
Employment rate (15+) (%)	45.1	47.3	47.2	47.2	48.5
Employment rate (15+) – MEN (%)	54.4	56.6	55.9	56.2	58.7
Employment rate (15+) – WOMEN (%)	35.8	38.1	38.4	38.3	39.0
Youth employment rate (15-29) (%)	30.9	34.4	33.5	33.4	34.5

3.1.1. IMPROVEMENT OF THE UNEMPLOYMENT SITUATION, ESPECIALLY AMONG THE MOST VULNERABLE CATEGORIES (YOUTH, LONG-TERM UNEMPLOYED AND OTHERS)

The ESRP sets a total of 10 indicators for measuring the improvement of the unemployment situation, especially among the most vulnerable categories of persons (young, long-term unemployed and others). Despite the health and economic crisis that continued in 2021, the key labour market indicators have improved. An exception is the long-term unemployment rate, which has slightly deteriorated.

The NEET indicator, which showed a certain deterioration in 2020, improved again in 2021, i.e., there was a decline by %. There is a deterioration in the indicator of registered employment of persons with disabilities in the open economy, in relation to employments in sheltered companies, but the target predicted for 2022 has still been exceeded.

The target for 2022 has been exceeded in terms of the women employment rate (20 – 64) and the youth unemployment rate (15-29), as well as the indicators related to the Youth Guarantee and the coverage of young people (15-29) with employment programmes, measures and services.

Indicator	2018	2019	2020	2021	2022
Employment rate (20 - 64) (%)	56.1	59.2	59.1	59.5	59.8
Employment rate (20 - 64) – MEN (%)	66.6	69.7	68.9	69.5	70.4
Employment rate (20 - 64) – WOMEN (%)	45.2	48.4	49.0	49.2	48.9
Unemployment rate (15+) (%)	20.7	17.3	16.4	15.7	14.0
Youth unemployment rate (15-29) (%)	37.0	30.5	29.6	27.6	30.5
Long-term unemployment rate (%)	15.5	13.1	12.4	12.5	11.0

Rate of youth neither in employment, nor in education or training (NEET, 15-29)	29.8	24.5	26.2	24.3	22.9
Total number of persons involved in various labour market services and active employment measures and programmes	117,347	7,598 in active measures 115,836 in services	10,953 in active measures 57,087 in services	11,292 in active measures 75,175 in services	Min. 60,000 per year
Coverage of young people (15-29) with employment programmes, measures and services within the annual Operational plans	38.8%	56.45% in active measures 38.34 % in services	66.8% in active measures 35.5 % in services	66.5% in active measures 29.3 % in services	Min. 30%
All young people registered for the first time in ESARNM, are being profiled early, i.e., during the first month of their unemployment period	√	√	√	√	√
Number of young people involved (registered) in the Youth Guarantee	:	20,302	25,502	19,322	Min. 10,000
% of young people involved in the Youth Guarantee, who, within a period of four months upon registration in the YG, had a successful exit (employed, entered a specific training or other active measure)	:	35%	35%	41%	Min. 30%
Share of unemployed persons – recipients of benefits from the Centres for Social Work (CSW) in the total number of participants in active employment programmes and measures and labour market services	:	5.4 % in active measures 24.3% in services	3.5 % in active measures 16.6% in services	6.5 % in active measures 17.6% in services	30%
Percentage of registered employments of persons with disabilities in the open economy, as compared with the employments in sheltered companies	69%	73.9%	71.3 %	61.89%	>60%

3.1.1.1. Objective: Improvement of youth employment and promotion of more and better jobs for young persons

All indicators in the ESRP related to the Youth Guarantee and youth participation in the active employment measures on an annual level have been exceeded. However, the number of young people = in the Youth Guarantee in 2021 showed a decrease by 24 percent compared to 2020, but on the other hand, the share of people who received an offer within a period of four months grew.

The Youth Guarantee for the period from 01.01.2021 to 31.12.2021 **included 19,322 young unemployed persons (9,663 women), of whom 7,135 were employed, and 929 persons were involved in some of the active employment measures** aimed at increasing the employability of young people. Accordingly, **the success rate of the Youth Guarantee at the national level is 41.7%**.

Out of the total number of people who were employed, 594 people were employed through the employment mediation service, 813 were employed through some of the active employment measures, and 159 became business owners or managers. For 1,224 people, 4 months have not yet passed since they enrolled in the Youth Guarantee.

Out of the total number of people who were employed through active employment measures, most of them were employed through participation in the Subsidized Employment measure (663 persons) and the Financial Support for Job Creation measure (105 persons).

Of the 1,257 unemployed people who were involved in some of the active measures that do not lead to direct employment, young people had the largest participation in the Internship Programme (693 persons).

Just over 40% of the participants were involved in the Youth Guarantee four months after joining it, while the rest have an unknown outcome.

The success rate of the Youth Guarantee in some of the employment centres (e.g., Valandovo, Vinica, Kavadarci, Kochani, Negotino, Probishtip, Sveti Nikole, Strumica and Shtip) is above the national average, while in Veles, Gostivar, Debar, Kichevo, Makedonski Brod, Prilep and Tetovo, the success rate is below the national average.

The Youth Guarantee covered about 20.6% of young people who are not employed, nor are involved in education or training.

Activation strategies are an important instrument for supporting the integration of young people into the labour market and its basic elements (job search assistance, counselling and guidance services, preparation of individual employment plans, monitoring and sanctioning) are included in the Youth Guarantee. The persons who were registered in the Youth Guarantee were provided services offered by the ESARNM: 2,712 people were provided with one of the employment services.

Thereby, career counselling was provided to 77 people, 1,011 people were profiled, and a total of 1,124 individual employment plans were prepared (of which 18 IEPs – 2 for hard-to-employ persons).

The coverage of young people (15-29) with employment programmes, measures and services, within the annual Operational plan reached 66.5% for active measures and 29.3% for labour market services.

With regard to the measure for strengthening the local approach to improving the employment of young people, within the project *“Strengthening the social dialogue”*, financed by the EU through a direct grant of the International Labour Organisation, several activities have been carried out, including the organisation of webinars for young people in 12 cities on the topic *“My Labour, My Rights”*; preparation of analyses (diagnostics) for the local labour market for Skopje, Veles and Radovish and local employment action plans for Strumica and Kumanovo. The implementation of the local employment plan in Bitola resulted in the development of 40 business ideas, establishment of eight start-ups and creation of 35 jobs, while 30 people acquired advanced IT skills.

The Youth Resource Centre iCan in Gostivar supported 1,146 young people in various trainings, of whom 220 in longer-term vocational trainings in the field of informatics and 132 in soft skills trainings (communication, project management, etc.). With the support of the centre, 40 start-up initiatives **were developed** and 9 jobs **were created**.

3.1.1.2. Objective: Reducing unemployment among long-term unemployed and persons belonging to other vulnerable groups

The Operational Plan for active employment programmes and measures and labour market services for 2021 was implemented (including Youth Guarantee). **The implementation of all active employment programmes and measures for 2021 is more than 94.6%** (planned 11,993, included 11,292 people).

The following results have been achieved:

- 1,877 people were employed through the self-employment support programme;
- 2,037 people were employed through the programmes for subsidized employment, employment and growth of legal entities;
- 157 people were employed with the support programmes for employment of persons with disabilities;
- 922 unemployed people were involved in various training programmes and measures;
- 1,287 unemployed people participated in the internship programme;
- 500 unemployed people participated in the community work programme (Community Work);

- 725 unemployed people were engaged in the public works programme;
- 3,787 young people were supported through the youth allowance programme;
- 4,979 women were included in the employment measures.

Regarding the employment services, the following services were realised in 2021:

- 45,640 people were provided with job search assistance;
- 328 unemployed people were involved in motivational trainings;
- 38 unemployed people were involved in trainings on “Preparation for employment and work”;
- 1,054 unemployed people used the service “Professional orientation and career counselling”;
- 3,250 people used the service “Activation of unemployed Roma and other people at risk of social exclusion”;
- 781 unemployed people, beneficiaries of guaranteed minimum assistance used counselling and motivation services (CMS);
- 20 unemployed people were included as support in the implementation of the Labour Market Skill Needs Survey.

In parallel, the activities for activation and inclusion of vulnerable groups in the labour market continued, especially of the socially endangered beneficiaries, i.e., beneficiaries of Guaranteed Minimum Assistance, through their inclusion in specialized services (mentoring, psychosocial support) and skills development programme. The activation process is implemented with financial support from the Instrument for Pre-Accession Assistance (IPA II), through the project “*Labour Market Activation of Vulnerable Groups*”. **In 2021, a total of 118 people were included in the active employment programmes and measures, and 781 people, beneficiaries of Guaranteed Minimum Assistance, were included in the employment services (CMS programme).**

With regard to the process of activation of the beneficiaries of Guaranteed Minimum Assistance, **the system for electronic data exchange between the Centres for Social Work and the Employment Service Agency of the Republic of North Macedonia was established in the area of creating individual activation plans, and activation plans were prepared for 2,118 people.**

The share of unemployed people – recipients of benefits from the Centres for Social Work in the total number of participants in active employment programmes and measures and labour market services of 6.5% in active measures and 17.6% in services has grown compared to previous years, but it is still below expectations, i.e., below the annual target of 30%. Circumstances related to the COVID-19 pandemic (such as easing the conditions for acquiring the right to GMA) may partly explain the weaker results. A recent study on the impact of social benefits on the activation of vulnerable groups on the labour market showed that weak activation is the result of institutional challenges, disincentives inherent in the social protection system itself, opportunities for additional earnings from informal work, discouragement and family dynamics among the beneficiaries of GMA.

The “Activation of unemployed Roma and other persons at risk of social exclusion” service is implemented through the establishment of a network of Roma mentors and through programmes based on international experiences (Acceder programme). Within this service, unemployed people have access to a team of mentors whose role is to motivate and regularly inform unemployed Roma and other persons at risk of social exclusion about the opportunities for employment or about the increase of their employability, as well as the communication with the local business sector in order to facilitate the access to workforce from the target group. The model is implemented in two pilot municipalities with a significant presence of the Roma, but also a well-developed business environment, through the establishment of a pilot centre for supporting the employment of Roma and other persons at risk of social exclusion in partnership with two selected civil society organisations. **A total of 3,422 people were included in the service, of whom 1,721 women (50%) and 1,031 (30%) young people up to 29 years of age. In 2021, a total of 3,971 people were informed.** For 3,422 people (1,721 women and 1,031 young people), Questionnaires for profiling and evaluation of the professional capacities of the unemployed person for inclusion in the active measures were filled out. **Some of the participants-154 (87 women and 78 young people) were included in an active employment measure, and some were directly employed in the private sector – 186 (93 women and 91 young people up to 29 years of age).**

The ESARNM was included in the system of services for professional rehabilitation and inclusion in the labour market of persons with disabilities. The services for **professional rehabilitation and inclusion in the labour market of persons with disabilities covered a total of 268 persons, of whom 107 women (40%) and 51 young people up to 29 years of age (19%). Thereby, 150 people (of whom 60 women and 29 young people up to 29 years of age) received access to work-oriented rehabilitation and employment support.**

The employment of 157 persons with disabilities was subsidized with funds from the Special Fund. 61.89% of the registered employment of persons with disabilities are in the open economy, compared to the employment in sheltered companies, which shows a slight deterioration compared to 2021, but in any case, exceeds the annual target of 60%.

The implementation of the *National Strategy for Development of Social Enterprises*, which was adopted by the Government of the Republic of North Macedonia in 2021, is of great importance for the activation of individuals in a vulnerable position. The goal of the *Strategy* is the development of a sustainable eco-system that will be encouraging and enabling for social enterprises in the country. The documents provide for measures and activities related to the creation of a culture of social entrepreneurship, development of the capacities of social enterprises and eco-system actors, development of markets for social enterprises and building a financial eco-system for social enterprises.

In 2021, with technical support from the Regional Cooperation Council, and funded by the European Union, an Impact Assessment was made of some of the active employment programmes and measures. The report on the conducted impact assessment of the active labour market programmes is of considerable use in the design of active employment programmes and measures and better targeting of the long-term unemployed persons and other persons in a vulnerable position.

3.1.1.3. Objective: Promotion of integration of women in the labour market and reducing the gender gaps

In the Macedonian labour market, there is a gender gap in terms of the participation of men and women. The low participation of women in the labour market compared to men remains one of the main challenges, although in recent years a reduction has been observed, which is due, among other things, to the systematic and coordinated approach in the implementation of policies from several domains.

The employment rate among women (38.4%) is lower than among men (64.3%), i.e., only 45.5% of able-bodied women in the country are active, in contrast to 77.1% of men. Women are in a more favourable position with regard to the unemployment rate solely in terms of the fact that it is 1.9 percentage points lower compared to the unemployment of men. However, this trend has been registered only in the last few years; until 2015, the unemployment rate among women was consistently higher than that of men.

In the implementation of employment programmes and measures, as well as labour market services, the principle of diversity and inclusion for all social categories in the private sector is complied with according to the principles of equitable and adequate representation on the basis of gender. In 2021, out of the total participants in active employment measures, 4,979 were women (44.2%). Additionally, non-refundable financial support was also provided within the [Competitiveness, Innovation and Entrepreneurship Programme for 2021](#), through the sub-measure 1.2 Financial Support for Women Entrepreneurship and the measure 115 – Support for an Active Female Member in an Agricultural Household.

A new *Law on Labour Relations* is in the process of preparation which, among other things, will harmonize certain rights from the national legislation with the Directive 92/85/EEC on the introduction of measures to encourage improvements in the safety and health at work of pregnant workers and workers who have recently given birth or are breastfeeding, the Directive on work-life balance for parents and carers 2019/1158, as well as with the Convention (no.183) and the Maternity Protection Recommendation (no. 191) of the ILO.

The new text of the *Law* provides for a series of new provisions that require changes in order to harmonize the professional and private life of the workers.

In order to improve work-life balance and labour market participation, the Ministry of Labour and Social Policy continued to invest in expanding the national capacities for pre-school education and care. In 2021, over 754 new jobs were opened in 11 newly opened facilities.

The insufficient number of services for the elderly, especially in rural areas, is also an obstacle for the active participation of women in the economy. Therefore, the activities for the development of care services for the elderly and infirm, such as home care services, personal assistance, opening of residential facilities for the elderly, etc. continued.

3.1.2. TACKLING INFORMAL EMPLOYMENT

The ESRP sets one indicator for measuring the informal employment, namely the share of informal employees in the total number of employees, which showed further improvement in 2021 compared to previous years, and the target value for 2022 of 16.5% was exceeded even in 2020.

Indicator	2018	2019	2020	2021	2022
Share of informal employment in total employment (%)	18.6	16.1	13.6	12.1	16.5%

3.1.2.1. Objective: Reducing informal employment

In 2021, the implementation of the *Strategy for Formalisation of the Informal Economy 2018-2022* continued, and a new Action Plan was prepared for formalisation of the informal economy for the period from 2021 to 2022, as well as a Report on the Implementation of the *Action Plan for Formalisation of the Informal Economy 2018-2020*. **The share of informally employed persons in the overall employment decreased to 12.1% in 2021.**

During this period, the implementation of the project for *“Improving working conditions”* continued, which has been implemented since November 2019 under IPA II. One of the main components of this project refers to the strengthening of the national capacities to improve the situation in the country in terms of identifying, measuring and addressing the informal economy and informal employment. Activities are underway for establishing a system and software tool for collecting and sharing data related to undeclared work between institutions, as well as for calculating the indicators for the size and characteristics of the informal economy. The elements of the model for formalisation of the informal work in the activities related to personal services, home repairs, tourism and catering and for regulating the temporary engagements and seasonal work are also being elaborated. This is done in coordination with the project *“Improving working conditions in agriculture”*, financed by GIZ.

In cooperation with the Association of Hotels, Restaurants and Cafes – HOTAM, the regional IPA project *“Employment and Social Affairs Platform – ESAP 2”* is piloting the measure *“To make the declared work attractive for employers and employees”*. The measure should generate evidence on the effectiveness of the simplification of the employment procedures and the lower social security contribution for short-term workers in the reduction of the informal employment and undeclared work. The measure is implemented in the municipalities of Ohrid and Struga in North Macedonia.

In 2021, the State Labour Inspectorate (SLI) continued to actively implement the conclusions, recommendations, decrees, protocols and decisions of the Government of the Republic of North Macedonia regarding the situation caused by the COVID-19 pandemic through inspections on the overall territory of the country.

In accordance with this, **a total of 28.860 inspections were carried out (16,212 in the field of labour relations and 12,648 in the field of OSH), whereby deficiencies and irregularities were established, for which a total of 5,928 decisions were made (3,092 in the field of labour relations and 2,836 in the field of OSH).**

In the area of human resources that refers to the inspection part of the inspectorate, the number of inspectors at the beginning of 2021 was 114, and as of February 2022, it is 129 inspectors. In 2021, a

series of activities for strengthening the capacities of the State Labour Inspectorate were carried out through the conducting of a series of generic and specialized trainings.

In 2021, the State Labour Inspectorate in cooperation with the International Labour Organisation, with funds from the European Union, conducted the **campaign “My Labour, My Rights”, as part of the Communication Strategy of the Economic and Social Council**. The campaign targeted young people who are still in the process of education, employed people from all professions, job seekers, as well as employers. The main tool of the campaign for the employees, job seekers and employers is the website www.mojtrudmoiprava.mk, which contains all information about the rights and obligations arising from employment.

The Strategy for Occupational Safety and Health 2021-2025 and the Action Plan for OSH for the period 2021-2023 were prepared. The prepared documents were reviewed and adopted by the Government of the Republic of North Macedonia in December 2021. During the preparation of the document, the EU strategic framework on health and safety at work 2021-2027 „Occupational safety and health in a changing world of work” was also taken into consideration.

3.1.3. IMPROVEMENT OF THE QUALITY OF WORK AND THE SERVICES OF THE PUBLIC EMPLOYMENT SERVICE

The ESRP sets a total of five indicators for measuring the improvement of the quality of work and services of the public employment service. In 2021, progress was made compared to the results achieved in 2020 for all indicators, but considerable work is needed to achieve the set target values for 2022.

Indicator	2018	2019	2020	2021	2022
Number of renovated/reconstructed regional employment centres with significantly improved work conditions	15	1	1	2	25
Number of employees in the ESARNM and number of staff involved in the activities for strengthening their capacities (trainings, workshops, seminars, etc.)	430	127	129	253	min. 550 each employee at least once a year involved in a training/seminar
Number of unemployed persons with IEP-2	6,213	7,514	3,448 ⁱⁱ	4,070	14,000 Of whom min. 60% involved in an active measure or service
Number of applications for employment mediation submitted to the ESARNM by employers	4,824 3,164 (66%) positive outcome	4,705 3,013 (64.04%) positive outcome	3,646 2,767 (75.9%) positive outcome	4,151 2,751 (66.3%) positive outcome	6,000 Most had a positive outcome

3.1.3.1. Objective: Further improvement of the ESARNM capacities

As of 31.12.2021, a total of 384 out of the 650 systematized jobs were filled in the ESARNM with enforcement agents who are employed for an indefinite period of time. During the year, a total of 4 administrative officers were employed in the ESARNM for an indefinite period of time by means of a public announcement, 131 people were employed for a definite period of time due to an increased volume of work in the current year and 1 person was employed for a definite period of time for the implementation of IPA, i.e., to work on a project. At the same time, in the current year, the career

advancement of the employees in the ESARNM was enabled, whereby 3 administrative officers were promoted from lower to higher job positions, by means of an internal announcement.

In 2021, a total of 2 employment centres were renovated, namely in Kumanovo and Tetovo.

In the course of the year, several trainings were organized to improve the capacities of the employees in the ESARNM, such as, for example, capacity building trainings for advisers for employers and employment mediation, training for trainers for practical training for working with employers, training for employment mediation and using the functions of the electronic system of the ESARNM, design and implementation of a programme for green and digital workplaces, training for employees from part of the employment centres for mentors/coaches for green and digital workplaces, training and technical support for career counselling, Youth Guarantee.

3.1.3.2. Objective: Further improvement of the services and the work of the ESARNM with its clients (unemployed and employers)

In 2021, the job search assistance service, which includes profiling and preparation of individual employment plans for the unemployed, employment counselling, provision of information on the needs of the labour market, vacancies, etc. was provided to 45,640 persons, of whom 23,647 women and 14,199 young persons up to 29 years of age.

In 2021 (status from 01.01.2021 to 31.12.2021), within the framework of the services provided to job seekers, a total of 23,884 individual employment plans were prepared. Of these, 19,774 individual employment plans-IEPs-1 (for persons who are directly employable or with moderate employment difficulties) and 4,070 IEPs-2 (individual employment plans for hard-to-employ persons, i.e., persons facing significant obstacles for inclusion in the labour market). The number of persons for whom an IEP-2, i.e., IEP for hard-to-employ persons will be prepared depends on the number of unemployed persons who, based on the profiling, have been determined to belong to the category of hard-to-employ persons. Of the total number of prepared IEPs, 2,066 were included in one of the active employment programmes and measures within the framework of the OP 2021.

During 2021, a total of 4,151 requests for employment mediation were submitted, compared to the annual target of 6000. A total of 23,892 persons (women – 11,347; young people up to 29 years of age – 6,049) were involved in mediation **and 2,751 persons were employed** (women – 1,875; young people up to 29 years of age - 882). Out of the total number of submitted requests, 1,655 requests for mediation were submitted only by private sector employers. A total of 18,674 persons (women – 7,421; young people up to 29 years of age – 4,773) were involved in mediation and 734 persons were employed (women – 344; young people up to 29 years of age - 215). The resolution of some of these requests for employment mediation continued in 2022, which increased the number of positively resolved requests with workers provided according to the requirements of the employers.

Cooperation has been established between all employment centres and the centres for social work, with regular communication and holding of work meetings (mainly online), especially for the purpose of harmonizing the procedures for the selection of beneficiaries of Guaranteed Minimum Assistance and preparation of individual activation plans, according to the *Rulebook on Cooperation for Inclusion of the GMA Beneficiary in the Active Employment Measures* from May 2019. **As of 31.12.2021, 2,118 individual activation plans were prepared.**

3.1.4. STRENGTHENING SOCIAL DIALOGUE IN THE RNM AT TRIPARTITE AND BIPARTITE LEVEL, AT NATIONAL AND LOCAL LEVEL, IMPROVEMENT OF COLLECTIVE BARGAINING

The ESRP sets a total of five indicators for measuring the strengthening of social dialogue at tripartite and bipartite level, at national and local level, as well as the promotion of collective bargaining. Thus, the fulfilment of the set targets in 2021 is for now partial, especially in the part of trade union density rate, where a slight decline was recorded again, although last year there was an increase of the number of trade union members. The decline is attributed to the fact that the number of employees in the country is growing faster than the number of unionized workers. Further progress has been made in the collective bargaining coverage rate at the employer level compared to 2020

and the 2022 target has been exceeded. Progress has been made in the rate of successfully resolved collective labour disputes through the mechanism for amicable settlement of labour disputes, given that the only collective dispute initiated through this mechanism was successfully resolved. In addition, the mechanism for following the recommendations of the Economic and Social Council and regular monitoring of the number of opinions/recommendations issued to the Government of the RNM is functional. Last year, an increasing number of opinions and recommendations of the ESC submitted to the Government was recorded, and the ESC is profiled as an important and visible factor in the adoption of economic policies and labour market policies.

Indicator	2018	2019	2020	2021	2022
Trade Union Density Rate (%)	21.16	19.83	17.29	16.76	>26
Collective bargaining coverage rate at branch, i.e., sector level (%)	32.68		38.46	43.39	37
Number of collective agreements at employer level	85	92	92	92	95-100
Rate of successfully resolved collective labour disputes through the mechanism for amicable settlement of labour disputes	60%	60%	60%	100%	Min. 70%
Established and functional mechanism for following the recommendations of the ESC / regular monitoring of the number of opinions/recommendations referred to the Government of the RNM	7 opin./recomm.	10 opin./recomm.	2 opin./recomm.	9 opin./recomm.	Min. 3 opin./recomm.

3.1.4.1. Objective: Strengthening the capacities of social partners and social dialogue mechanisms

In the period from March 2021 to February 2022, the Economic and Social Council (ESC) functioned smoothly, holding a total of 10 sessions, during which a large number of regulations and documents from the economic and social sphere were reviewed. At most sessions, the focus was on proposing and adopting policies and specific measures to overcome the consequences and negative effects of the health and economic crisis caused by the COVID-19 pandemic. The number of meetings of the ESC in the past period has been consistently increasing, from seven meetings in 2019, eight in 2020, ten in 2021. Accordingly, the analyses made showed an increased visibility of the ESC in the country.

At the local level, during 2021, 12 local economic and social councils with the support of the project of the International Labour Organisation, funded by the European Union, prepared diagnostics of the local labour market, with a focus on the gap in the skills and education and with recommendations for overcoming the problems. The diagnostics served as a basis for the dialogue between the municipalities and the Ministry of Education and Science during the preparation of the programme for secondary education. Based on the diagnostics, the local economic and social councils of Strumica and Kumanovo, with the support of the project, prepared local action plans for employment, which were approved by the Municipal Councils.

The Bitola local economic and social council was involved in the implementation and monitoring of the first local partnership for employment, within which measures were implemented to improve the skills of young people and support start-ups.

The Struga local economic and social council was involved in the preparation of the pilot measure to reduce undeclared work in the sector of hotels, restaurants and catering in the municipalities of Struga and Ohrid, by improving the employability skills of young people and easing the administrative burden on employers. The pilot project will be implemented by HOTAM, a collective member of the Organisation of Employers of Macedonia.

The twelve local economic and social councils were actively involved in the organisation of webinars

for young people on the topic My rights to work, within the framework of the campaign to raise awareness about labour rights "My Labour, My Rights".

The Organisation of Employers of Macedonia organized local meetings with its members to discuss topics of interest to employers and based on the conclusions of those meetings, proposals for measures were given.

The Federation of Trade Unions of Macedonia organized local meetings of its members and workers, in the municipalities where local economic and social councils are established, for the promotion of its services for free legal assistance to workers in case of violation of labour rights.

The activities at the local level, as well as those of the social partners, were supported by the "Strengthening the Social Dialogue" project.

In the reporting period, five branch collective agreements were concluded, for health, for employees in public administration, police, production and trade.

During 2021, there was only one collective dispute that was resolved using the mechanism for amicable settlement of labour disputes. There is a need to consider the possibility and need for amending the *Law on Amicable Settlement of Labour Disputes*, in order to facilitate the application of the law, especially in individual disputes, which are resolved by arbitration.

HUMAN CAPITAL AND SKILLS

The progress in this strategic Objective is measured by the headline indicator Human Development Index. The value for the indicator in 2021 is not yet available. The Human Development Index in 2019 was 0.774 and was below the target of 0.780.

Headline indicator	2018	2019	2020	2021	2022
Human Development Index	0.759	0.774	/	/	0.780

3.2.1. PROVIDING HIGH QUALITY INCLUSIVE EDUCATION AND EQUAL ACCESS TO EDUCATION FOR ALL

The ESRP envisages 3 indicators for ensuring quality inclusive education and equal access to education for all. In 2021, progress was made in some of the set indicators, whereby in the case of the rate of early school leavers, the set target for 2022 of 6.8% has already been exceeded (the dropout rate was 4.6% in 2021). The other two indicators showed a slight deterioration compared to 2020. Namely, the share of people aged 30-34 who have completed tertiary education decreased to 36.9% in 2021 (from 39.7% in 2020) and is below the target for 2022. The rate of students with special needs included in regular primary and secondary education increased to 66.6% from 64.8% in 2018, but compared to 2020, it shows a slight deterioration.

Indicator	2018	2019	2020	2021	2022
Rate of early school leavers (%)	7.1	7.1	5.7	4.6	6.8
Share of persons aged 30-34 who have completed higher education (%)	33.3	35.7	39.7	36.9	40
Rate of students with special needs included in regular primary and secondary education (%)	64.8		67.1	66.6	70

3.2.1.1. Reduction of the dropout rate and the number of early school leavers

During 2021, progress has been made in the inclusion of children from marginalized groups, primarily in primary education. The provisions of the *Law on Primary Education* aimed at inclusion of children from marginalized groups are fully implemented. In the course of January, during the winter break, schools used the newly introduced instruments for checking the knowledge of children who have not been included in the classes, and are over the age limit, in order to include them in the classes in the second half of the year. The adapted curricula for children who have not been included in the classes, and are over the age limit, began to be applied. The procedure following the public call for hiring 35 Roma educational mediators to support the primary education of Roma for the academic year 2021/2022 was completed.

In 2021, the number of scholarships awarded in to Roma high school students again increased (800 scholarships in 2019, 900 in 2020 and 917 in 2021). The dropout rate of students benefiting from scholarships is less than 1%.

In the academic year 2021/2022, free textbooks have been provided for all students in primary and secondary schools. New teaching materials for first and fourth grade have been developed. For the first time, the teaching materials for fourth grade have been developed in digital format and placed on a specialized web platform. 10,000 tablet computers have been purchased by the MES for students from socially vulnerable categories.

In the academic year 2021/2022, students who come from cities where there are no secondary schools (high school and vocational schools) have been provided with free accommodation in student dormitories. In order to improve the accommodation conditions, the kitchens in the student dormitories have been equipped with new equipment.

Considerable progress has also been made towards improving the integration and interaction between students attending classes in a different teaching language. By Decision of the Minister No. 12-11647/2 dated 06.08.2021, Standards for intercultural education in primary education were adopted for the first time. The intercultural standards are linked to the National Standards, the key intercultural competences that are then developed for each educational cycle in primary education (end of third, sixth and ninth grades) are highlighted.

On 20.09.2021, the Bureau for Development of Education (BDE) and the Vocational Education and Training Centre (VETC) adopted *Guidelines for Organizing Joint Curricular Classes* with students attending classes in different teaching languages.

In the academic year 2021/2022, in 2021, 70 grants for primary schools and 25 grants for secondary schools have been awarded for the implementation of activities that contribute to the development and promotion of multiculturalism, inter-ethnic integration and tolerance in primary and secondary schools, in accordance with the *Law on Primary Education* and the *Law on Secondary Education*.

3.2.1.2. Improving the coverage and conditions for access to all levels of education of persons (children/pupils/students) with disabilities

In order to provide support for children with disabilities, increase their mobility and support the enrolment in the regular education system, the *Law on Amending the Law on Social Protection* was adoptedⁱⁱⁱ, which enabled the personal assistance service to be used by children over the age of six.

Also, the *Law on Amending the Law on Social Protection* was adopted, which enabled the application of a new model for assessment of the needs of persons with disabilities through the functional assessment of children and young people up to 26 years of age, as well as the establishment of measures for additional educational, health and social support, and the findings and opinions on the type and degree of disability are given by the expert bodies that perform functional assessments.

In cooperation with UNICEF, an inclusion programme is being piloted in 10 kindergartens, within which a programme for alternative augmentative communication has been developed, tablets have been provided and a software has been developed to support children who have speech difficulties.

During 2021, significant progress was achieved in the inclusion of children with disabilities and children from marginalized groups in primary education, and partial progress was made in the area of secondary and higher education.

The procedures of all state primary schools for students with special educational needs have been completed, which transformed them into primary schools with a resource centre, and the existing special classes at primary schools have been transformed into centres for supporting the learning of students with disabilities (the systematizations of all schools and the changes to the statutes have been approved). A Decision on Partitioning has been adopted for cooperation of the municipal primary schools with the primary schools with a resource centre and/or support centres No. 12-1861/1 dated 02.02.2021. Inclusive teams have been formed in all schools.

Consents have been secured for hiring 500 educational assistants to work with students with disabilities in primary schools, for the academic year 2021/2022, and a procedure for their hiring through schools with resource centres has been implemented.

In cooperation with the UNICEF Office, staff trainings were conducted in the resource centres, i.e., trainings for trainers for educational assistants, who further conducted the training of educational assistants and teachers in whose classes these students were included. 36 master trainers and 500 educational assistants have been trained and hired for the academic year 2021/2022. Additionally, trainings were conducted for the inclusive teams in the schools.

Consents have been secured and the procedures for employment of 49 new special educators and rehabilitators in regular primary schools and schools with resource centres have been completed in order to support students with disabilities and the teaching staff.

Primary schools with resource centres received 2.5 million denars for the purchase of equipment and didactic resources in support of the inclusive education.

The Ministry of Education and Science for the first-time printed textbooks in Braille for visually impaired students (for first and fourth grade students). With the help of these learning materials, equal access to classes is provided for every student.

The activities within the framework of the two inclusion programmes funded by the EU continued: reconstruction aimed at ensuring the accessibility of 15 educational facilities and implementation of the programme “*Be IN, be INclusive, be INcluded*”, for the inclusion of children with disabilities in regular primary education.

In the academic year 2021/2022, 312 students with disabilities have been included in the so-called regular secondary schools, while a total of 232 students have been included in special secondary schools for students with disabilities. For the students included in so-called regular secondary schools, inclusive teams have been formed that prepare individual curricula. The Ministry of Education and Science for the academic year 2021/2022 awarded 137 scholarships for students with disabilities studying in secondary education. The amount of the scholarship has been increased to 3,500 denars per month (from 2,750 denars per month).

The activities for the drafting of a new *Law on Secondary Education* continued, which, among other things, will contain provisions on increasing the coverage and inclusion of students with disabilities in secondary education (following the example of the *Law on Primary Education*).

In 2021, preparatory activities (tender procedures) were implemented for the reconstruction of and the construction works on four higher education facilities (UKIM: Faculty of Architecture and Civil Engineering, Faculty of Law, Faculty of Economics and Faculty of Philosophy and Philology) in order to provide access and functionality for persons with disabilities.

3.2.1.3. Improving the contents and quality of education by strengthening the capacities of human resources (capacities of schools and teaching staff)

In 2021, significant progress has been made in achieving the Objective of the ESRP to improve the learning environment, including learning contents, methods and techniques, in order to provide an individual approach to students.

In that sense, with the Decision of the Minister no. 08-3980/1 dated 03.03.2021, a new *Concept Note on Primary Education* was adopted, the implementation of which began in stages (for students in first and fourth grade) from the academic year 2021/2022.

In parallel with the *Concept Note*, the *National Standards for Primary Education Students* were also adopted by Decision of the Minister no. 08-4176/2 dated 05.03.2021.

Based on the national standards, new curricula have been developed for first, fourth grade (applicable from September 2021) and for second and fifth grade (applicable from September 2022). The new curricula are based on competences that students begin to acquire from the first grade, and continue to develop in the following grades, above all the competencies arising from the area with which the subject has a direct connection, but also the transversal competences that enable integration and full development of the students.

Approvals have been issued for allocating new funds for financing the teaching staff for first grade in order to reduce the number of students in the class from 20 to a maximum of 30 students, thus fulfilling the legal obligation for students from first, second and third grade (successive introduction) from the academic year 2021/2022. A so-called tandem physical education teacher has been provided for first, second and third grades of primary education, i.e., in addition to the homeroom teacher, physical education is also taught by a subject physical education teacher. According to the *Law on Primary Education*, school parliaments have been established in all primary schools.

During 2021, the construction/extension of four new schools and the reconstruction of 22 schools has been completed. Seven new schools/facilities are under construction/extension and the reconstruction of 42 schools has been initiated. The construction of 7 school sports halls has been completed, and additional six new school sports halls are under construction.

In 2021, several purchases were made to improve the learning conditions in primary schools. Science classrooms in about 360 schools have been equipped, 10,000 tablet computers and 97 smart boards with LCD projector have been purchased.

In 2021, a procedure was implemented for the first time for the promotion of teachers to the title of teacher-mentor. In the first public announcement, 141 teachers from primary schools were promoted to the title of mentor.

At the 65th session held on 13.04.2021, the Government determined the text of the *Law on Teachers and Professional Assistants in Primary and Secondary Schools* and it has been submitted to parliamentary procedure for adoption. In order to overcome the situation with the employment for a definite period of time every academic year, as well as the situation with the transformation of the employment from definite to indefinite period of time of teachers and professional assistants, activities began to amend the *Law on Teachers and Professional Associates in Primary and Secondary Schools* in order to ensure their legal and economic security by establishing employment for an indefinite period of time.

3.2.2. IMPLEMENTATION OF THE NATIONAL QUALIFICATIONS FRAMEWORK – BASIS FOR QUALITY ASSURANCE IN THE EDUCATION AND TRAINING SYSTEM

The progress in this area is measured by three indicators. Two of the set indicators have already been achieved. A functional Skills Observatory has been established, as well as a functional Qualifications Register, the procedure for the upgrading of which has been started. Some progress has been made in increasing the number of sectoral qualification councils (the number has increased from 10 to 11 in 2021), but further progress is needed to achieve the target of 16 sectoral councils in 2022.

Indicator	2018	2019	2020	2021	2022

Number of established Sectoral Qualifications Councils (for development and quality assurance of qualifications in specific sectors)	9	9	10	11	16
Established and functional Skills Observatory (to anticipate the needs for skills in the labour market)	Not established	It is not functional. Provisions have been introduced in the new <i>Law on Primary Education</i> (from 2019) for processing personal data for the needs of the Skills Observatory, and it is necessary to introduce provisions in the <i>Law on Secondary</i> and the <i>Law on Higher Education</i> to be functional	It is functional. Provisions have been introduced in the new <i>Law on Secondary Education</i> (from 2020) for processing personal data for the needs of the Skills Observatory, and it is necessary to introduce provisions in the <i>Law on Higher Education</i> in order to obtain statistical data and analysis for higher education	It is functional. It is necessary to introduce provisions in the <i>Law on Higher Education</i> in order to obtain statistical data and analysis for higher education	Established
Functional Qualifications Registry (overview and transparency of qualifications)	Established register	Established register	Functional register for qualifications standard	Functional register for qualifications standard, a procedure has been initiated to upgrade the register	Functional and upgraded register with occupational standards registry module and occupational standards revision module

3.2.2.1. Establishing a sustainable NQF system and strengthening human resources for its application

In 2021, the National Board for the Macedonian Qualifications Framework worked continuously/regularly and held sessions, for which financial resources were provided in the Budget of the MES.

In 2021, another additional Sectoral Council for Traffic, Transportation and Storage was established.

The implementation of the twinning project "*Further support for implementation of the NQF*" began (institutions from Lithuania, Slovenia and France are the twinning partners), which is expected to support the functionality of the NQF through:

- further development and implementation of quality assurance processes/procedures,
- transparency and management of skills and qualifications within lifelong learning in general education and vocational education and training and higher education,
- improving the quality and better adaptability of the education and trainings according to the requirements of the labour market,
- connecting formal, non-formal and informal learning, as well as
- support of the process of validation of the learning outcomes acquired through non-formal or informal learning.

Within the framework of the IPA project, the upgrade of the Register of Qualifications and Procurement of Equipment (servers and laptops for the NQF system) has also been initiated, but its completion will be in the course of 2022.

3.2.3. STRENGTHENING THE EMPLOYABILITY OF THE LABOUR FORCE AND BUILDING FLEXIBLE LIFELONG LEARNING PATHWAYS

ESRP 2022 sets out four indicators for monitoring the progress in achieving this Objective. In 2021, further progress and exceeding of the target for 2022 has been achieved in terms of student participation in secondary vocational schools as % of the total number of students in secondary education. This indicator was 64% in 2021 (target > 60%). The share in lifelong learning (2.5%) is still below the 2022 target of 4%, and a decline has also been recorded compared to the previous year (2.5%). Excellent progress has been observed in the indicator that measures the transition from education to the labour market: the employment rate of persons (20-34 years) who have recently graduated from secondary or higher education, which increased to 58.2% (from 54.5% in 2020) and thus exceeded the target of 55%. In 2021, the three Regional Centres for Vocational Education and Training officially started operating and the Ministry of Education and Science started the procedure for their reconstruction.

Indicator	2018	2019	2020	2021	2022
Share of students in secondary schools in the VET system (%)	60.0	61.8	62.1	64	>60%
Share in lifelong learning (%)	2.4	2.8	2.6	2.5	>4.0%
Employment rate of persons (20–34) who recently graduated from secondary or higher education (%)	49.1	57.2	54.5	58.2	55%
Number of Regional Vocational Education and Training Centres (RVETC)	None	The activities have started. Amendments have been made to the <i>Law on Vocational Education and Training</i> and the three secondary schools that will be transformed into RVETC have been selected	Three At the 24 th session of the Government, held on 24.11.2020, Decisions were adopted by which three municipal schools continue to operate as Regional Vocational Education and Training Centres. Based on the decisions, the three schools amended the statutes, and the MES issued decisions for endorsement	Three In 2021, three Regional Vocational Education and Training Centres started operating	

3.2.3.1. Development, modernization and increasing the attractiveness of the vocational education and training

New modularly designed curricula have been formally adopted for all new qualifications/educational profiles in secondary vocational education based on learning outcomes, expressed in EQVET credits and points for general and vocational subjects from first to fourth year, which started to be implemented from the academic year 2019-2020 (first year). In the academic year 2021/2022, the new curricula in the secondary vocational schools for the third year started to be applied. The curricula for the fourth year will be introduced successively in the next academic year. The curricula are developed in cooperation with the business community and reflect the needs of the labour market.

The curricula for the fourth year of dual vocational education and the curricula for the new classes and professions have been developed and adopted. 1,384 students are enrolled in dual education in

the academic year 2021/2022 in 44 schools in cooperation with 220 companies. This academic year, the number of dual classes in the country has increased from 11 to 97.

Under the slogan "*Learn smart, work professionally*" a series of meetings were organized with companies to introduce required profiles in vocational schools. Namely, through social dialogue with the companies and the business community at the local level, the Ministry of Education and Science together with the municipalities has defined the profiles to be introduced in the secondary vocational schools in the academic year 2021/2022.

The competition for enrolment of students in the academic year 2021/2022 is fully harmonized with the needs of the labour market. According to the number of students enrolled in secondary schools compared to the academic year 2020/2021, it can be determined that there is a decrease in the number of students enrolled in high school education and an increase in the number of students enrolled in vocational education (increase by 6% compared to the last academic year). Most of the enrolled students, i.e., 64% are enrolled in vocational education, 32% in high school education and 3% in other types of education.

The Ministry of Education and Science, on the basis of a decision adopted at the 58th session of the Government held on 26.03.2021, increased the number of scholarships for students from secondary vocational schools, as well as the amount of the scholarship, which further stimulates students who continue their education in one of the vocational secondary schools in the country. For the academic year 2021/2022, a total of 2,268 scholarships have been awarded.

A draft text of the new *Law on Vocational Education and Training* has been prepared, which has been submitted for consultation with the general public.

From 01.01.2021, the three regional vocational education and training centres in Tetovo, Kumanovo and Ohrid started operating. During the year, procedures were conducted and the reconstruction of the regional centres in Kumanovo and Ohrid began, while the procedure for reconstruction of the regional centre in Tetovo is ongoing.

On 28.09.2021, the implementation of a new project, financed with IPA funds, began in order to support reforms in secondary vocational education, which provides for the opening of new regional centres in the rest of the planning regions.

3.2.3.2. Development and promotion of informal education and adult education

During 2021, no progress has been made regarding the passing of the new *Law on Adult Education*, which was adopted by the Government in January 2021 and submitted to the Assembly for its passing. The law fully reforms the system of informal education of adults, and regulates the system of validation of knowledge, skills and competencies acquired through informal education.

SOCIAL INCLUSION AND SOCIAL PROTECTION

The total progress in the social inclusion and social protection field is measured through the relative poverty rate, which in 2020 (according to the data published in 2022) marked a growth of 0.2 percentage points compared to the previous year.

Headline indicator	2018	2019	2020	2021	2022
Poverty rate (%)	21,9%	21,6%	21,8%	The data will be published in December 2022	16,0

3.3.1. ENHANCING THE EFFICIENCY AND EFFECTIVENESS OF THE SOCIAL ASSISTANCE SYSTEM

The ESRP sets a total of four indicators to measure the effectiveness of the social assistance system. The data is available for some of the set indicators. So far, the indicators show some increase in household coverage with social assistance, as well as in programmes for protection of children and the elderly over the age of 65. Poverty has a more significant impact primarily on the elderly, while children and youth have seen an increase in poverty. According to the data from the Survey on

Income and Living Conditions, children are the most affected population group when it comes to the effect of the pandemic on household income and poverty (the poverty rate increased from 27.8% in 2019 to 30.3% in 2020).

Indicator	2018	2019	2020	2021	2022
% of households covered by all types of social protection cash benefits	8	8,5	Data for 2020 will be published in 2022	Data for 2021 will be published in 2023	14
% of absolute poverty	:	:	:		<1,0
Number of children covered by child protection programmes (child allowance and education allowance)	43.000 c.a. 3.800 e.a.	38.855 c.a. 9.408 e.a.	43.649 c.a. 26.167 e.a.	48.800 c.a. 28.815 e.a.	75.000 c.a. 65.000 e.a.
Number of recipients of benefits under social security of the elderly	:	6.495	8.573	10.292	6.000

3.3.1.1. Objective: Improving the scope, coverage and targeting of the social protection system

According to the latest data published by the State Statistical Office from the Survey on Income and Living Conditions in 2020, the poverty rate in North Macedonia was high at 21.8% (i.e. 451,900 people). The Gini coefficient (a measure of income inequality) increased compared to 2019 and was 31.4%. This met the expectations that the pandemic will worsen relative poverty and income inequality, but to a small extent, among other things, due to government measures targeting lower-income segments.

Analysed by household types, the poverty rate of households consisting of two adults with two dependent children in 2020 was 20.7%. The poverty rates according to the most frequent activity status show a decrease compared to the previous year. Therefore, the rate of poor employees, poor pensioners, poor unemployed and the rate of inactive was 7.9%, 7.0%, 45.1%, and 32.5%, respectively. That is why the activation of the social protection system beneficiaries and their labour market inclusion is extremely important. The activation is taking place at a slow pace, which is due, among other things, to institutional challenges, factors inherent in the social protection system itself, opportunities for additional earnings from informal work, discouragement and family dynamics among GMA users.

According to the Ministry of Labour and Social Policy, the number of households receiving guaranteed minimum assistance (GMA) at the end of 2021 was 37,109 compared to 25,095 households receiving GMA in 2019, when the reformed system of social and child protection was introduced. In 2020, the number of households receiving GMA increased by 8,235 new users, while in 2021, 3,779 new households entered the system, resulting in a total increase of 48% of GMA users over a period of two years.

The following is the analysis of GMA beneficiaries according to various indicators made on the basis of data on GMA beneficiaries in November 2021. Namely, from a gender perspective, households in which the holder of the right is a woman make up 35.8% of all households receiving GMA that corresponds to the traditional setting of families. Regarding the size of the households of beneficiaries, out of the total number of households using GMA, 28.2% are one-member households, 23.5% are two-member households and 17.9% are four-member households. Households with five or more members, which are especially vulnerable and at risk of poverty, are represented by 10.7%.

As regards the educational structure, the persons with primary education make up 60.2% of the holders of the right to GMA, followed by those with secondary education (19%) and those without primary education (18.5%). The low level of education attainment of the household members who are beneficiaries of GMA represents a great barrier to their successful transition into employment.

Out of the total number of households that are beneficiaries of GMA, 31.7% use child allowance as well. Approximately, every fifth household that is a recipient of GMA (21.2%) also uses education allowance for children.

A significant proportion of households receiving GMA also receive an energy allowance. The number of household beneficiaries has been steadily increasing over the years, reaching 45,914. The number of households receiving energy allowance is 26.6% higher than the total number of households receiving GMA, and this is an important social protection right for addressing energy poverty.

Among the various types of social protection cash benefits, Roma households mostly use GMA (19.9%) and the energy poverty allowance (17%). The households of ethnic Albanian origin are primarily beneficiaries of the energy poverty allowance, GMA and child allowance with 44.7%, 41.8% and 48.8% respectively. Ethnic Macedonians mostly use the energy allowance (27.2%), GMA (26.5%) and child allowance (15.9%).

In December 2021, 10,292 elderly aged over 65 who could not provide for their livelihood on other grounds exercised the right to social security. This exceeded the planned coverage of 6,000 elderly.

The *Law on Protection of Children* provides for cash benefits rights for children aimed at eliminating child poverty and providing equal opportunities for all children. In the reporting period, the right to child allowance was used by an average of 48,800 children, while the right to education allowance was used by 28,814 pupils and students. The two indicators are below the projected target for 2022. With the provision of funds for payment of the education allowance, parents receive help in covering the school fees to the aim of regular class attendance and prevention of early school leaving.

As regards the measure for improving the cooperation between institutions responsible for implementing the measures for labour market activation and providing social protection, the cooperation between the services for employment and social protection was enhanced and deepened in 2021. The software solution of the Employment Service Agency of the Republic of North Macedonia and the centres for social work was adjusted, which enabled real time data exchange and joint preparation of the individual plan for the household member that is easiest to employ.

The cooperation between the two services resulted in 2,118 plans prepared after the establishment of the electronic data exchange, while 1,075 beneficiaries were involved in active employment measures since the introduction of the guaranteed minimum assistance.

An assessment of the impact of the guaranteed minimum assistance on the labour market activation of beneficiaries is being conducted, which will serve to further promote processes and cooperation between the two services.

3.3.2. IMPROVING THE AVAILABILITY OF SOCIAL SERVICES

The ESRP sets a total of 3 indicators to measure the development of social services. Solid progress was made with the establishment of local social protection councils – 60 local councils have been established. Excellent progress was achieved in the indicator on the establishment of regional social protection councils; more precisely, 7 councils were established, therefore it can be expected that the target of 8 councils in 2022 will be fully fulfilled. The target for the number of licensed non-public service providers was achieved and significantly exceeded (62 in 2021, and the target for 2022 is 30) which provides greater availability of social services, although there is an unequal geographical distribution.

Headline indicator	2018	2019	2020	2021	2022
Number of established local (municipal) social protection councils	0	9	11	60	81
Number of established regional social protection councils	:	0	0	7	8
Number of licensed service provided (by type of service; home based, community	:	12	20	62	30

based, extra-familial care)		(10 – home based services, 1 – community-based services, 1 – extra-familial care)	(12 – home based services, 2 – community-based services, 6 – extra-familial care)	(1 – professional assistance and support services, 2 – advisory services, 31 – home based services, 8 – community-based services, 20 – extra-familial care)	
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3.3.2.1. Objective: Development and improvement of social services and inclusion of various stakeholders in high-quality and efficient service provision

In terms of the development of social services, significant progress was made in the licensing of new social service providers, which is crucial for improving the access of beneficiaries to new quality services.

In 2021, 42 new social service providers were licensed and thus, currently, according to the *Law on Social Protection*, **there are 62 licensed social service providers**, which have the capacity to provide services to over 2,700 users. About 80% of the licensed providers are established and/or provide the services with funds from the state.

7 management agreements have been concluded with associations and private social service providers for the provision of social services (personal assistance, supported living, treatment and rehabilitation of persons with addiction problems and professional assistance and support service).

About 955 people are included in the provision of social services, of whom 816 are direct service providers – 238 personal assistants, 406 caregivers/caregivers for older persons and 106 professionals (social workers, psychologists, special educational needs teachers, special educators, medical nurses) and 66 professionals responsible for coordinating services. Most of the new services are home services (50%) primarily for the elderly and residential homes for the elderly (32%), but also personal assistance for people with disabilities, active ageing centre for the elderly and day care centre for children with disabilities (13%); the services for counseling of children without parents and parental care, professional assistance services (2%) and support for foster families (3%) are being developed. Three housing units were licensed to provide the supported living service to 15 persons from the Special Institution Demir Kapija.

The Institute for Social Activities, with the help of the IPA Project *“Supporting Modernization and Deinstitutionalization of Social Services”*, realised eight trainings on specific topics which included 254 professionals (195 women). Within these trainings **the capacities of the professionals were strengthened regarding the monitoring and evaluation of social services, preparation of individual social services plans, development of social services for the elderly and long-term care, professional rehabilitation and employment of persons with disabilities and establishment of innovative community services.**

Additionally, to the aim of strengthening the capacities of professionals in the social protection institutions, the Institute for Social Activities conducted 85 trainings for 1.663 persons (1.340 women) on working on marital and family relations, custody, children at risk, risk assessment, communication and methods and techniques for work with beneficiaries, sexual and reproductive health, rights of people with disabilities, violence assessment.

One of the challenges in developing social services is the greater inclusion of local self-governments and regional structures in planning and delivering social services. With a view to that, measures for supporting and building the capacities of municipalities were implemented to create and realise efficient local polices and to provide quality and efficient social services; thus, **18 municipalities were supported in the establishment of new social services** (financed within the *Social Services Improvement Project*, implemented by the Ministry of Labour and Social Policy with a loan from the

World Bank), whereas **12 municipalities prepared social protection plans**. Social services planning Guidelines were developed at the regional level and for the functioning of social protection councils.

3.3.3.1 SUPPORT AND PROMOTION OF DEINSTITUTIONALIZATION

The ESRP sets a total of three process indicators to measure the progress of de-institutionalization. In two of them, which are interconnected (Number of persons accommodated in housing units with supported living or group homes and Number of persons accommodated in residential institutions for social protection), after the stagnation in 2020 due to the pandemic, progress was achieved in 2021 whereby a total of 20 beneficiaries were resettled into four new housing units with supported living, and another 15 users are being prepared. In December 2021, a total of 241 people were accommodated in housing units with supported living. The number of beneficiaries of social services increased, especially in home based and extra-familial care services.

At the end of 2021, 226 people were still living in residential institutions for social protection.

Indicator	2018	2019	2020	2021	2022
Number of persons accommodated in housing units for supported living arrangements or in group homes	173	226	226	241	250
Number of users of social services (per service type: home based, community-based, extra-familial care)	3.058	A total of 4620 (423-home services, 2042-community services, 2155 non-family (*includes foster families and accommodation in nursing homes, data on organized living that is also extra-familial care is listed above)	A total of 4629 (454-home services, 1728-community services, 2447 out-of-family (*includes foster families and accommodation in nursing homes, data on organized living that is also extra-familial care is listed above)	A total of 4680 (454-home services, 1728-community services, 2447 out-of-family (*includes foster families and accommodation in nursing homes, data on organized living that is also extra-familial care is listed above)	4.500
Number of persons accommodated in residential social protection institutions	376	260 (in the phase of deinstitutionalization - Banja BANSKO, T.Pole and Demir Kapija)	261	226	0

3.3.3.1. Objective: Strengthening the deinstitutionalization process

In 2021, the resettlement of residents of the Special Institution Demir Kapija continued, albeit at a slower pace compared to the years prior to the COVID-19 pandemic; by the end of 2021, a total of **20 residents were resettled to four new housing units with supported living** (in Demir Kapija and Negotino). The establishment of the new units was done with financial support from the European Union, and their regular financing is an obligation of the state budget.

The transformation of the social residential institutions continued: **In July 2021 the first two public centres for support of foster families in Skopje and Bitola** (in the former residential social institutions for accommodation of children) began operating. In the third quarter, the first private centre for support of foster families in Skopje started operating, managed by a civil society organisation and duly licensed to provide this social service. The three centres for support of foster families will provide this service for 327 foster families with a total of 559 beneficiaries. Trainings have been realised for the professional workers employed in these centres on application of the standards and procedures for work with the foster families and beneficiaries, as well as for support of the foster families in pandemic conditions. These efforts aim to promote the provision of care in a family environment to children who need accommodation outside their own family.

In the last quarter of 2021 the preparation of the new tri-annual Action Plan for the period 2022 to 2024 on the implementation of the *National Strategy for Deinstitutionalization 2018-2027* started. The Action Plan is developed through a participative process and with the technical support of the European Union. At the end of December 2021, the first draft was prepared, which is expected to be finalized and adopted by the Government by the end of March 2022.

To the aim of providing support to children with disabilities, increasing their mobility and assisting their enrollment into the regular education system, the *Law Amending the Law on Social Protection*^{iv} was adopted **which enabled the personal assistance service to be used by children aged six.**

Furthermore, the adoption of the new *Law Amending the Law on Social Protection*^v **enabled the application of a new model for assessing the needs of people with disabilities through functional assessment of children and youth aged up to 26**, as well as determined measures for additional education, health care and social support and for the provision of findings and opinions on the type and degree of disability by the professional bodies that perform functional assessment.

3.3.4. IMPROVING THE SOCIAL INCLUSION OF ROMA

The ESRP sets a total of 10 indicators to measure the promotion of social inclusion of Roma, divided into three parts: labour market, education and health care. Progress is registered in the indicator for inclusion of Roma in active employment programmes and measures and in the indicator for participation of Roma in the total number of registered unemployed persons in the ESA (%) where the set targets for 2022 are exceeded. There is progress in the inclusion of Roma children (0-6) in preschool education, although it is still far from reaching the target for 2022.

Further efforts are needed to improve the situation with secondary and higher education of Roma. The number of enrolled Roma students increased compared to 2019: in 2021 there were 263 active Roma students, of whom 110 were supported by a scholarship from the Ministry of Science and Education, and 47 were enrolled in the first year. The rate of transition of Roma students from primary to secondary from 77.4% in 2019 to 78% in the academic year 2021/2022 also shows progress. Only the rate of transfer of Roma students from secondary to higher education decreased from 40.5% in 2019 to 33.5% in 2021. This is due to the fact that during the pandemic, young Roma became active in the labour market. Additional efforts are needed to achieve the targets set for 2022 in all indicators. To that end, the Ministry of Education and Science provides for Roma educational mediators for secondary education that will encourage Roma graduates to continue with higher education.

Good progress was made in supported communal infrastructure projects of municipalities. But there are still no significant changes in the other indicators in the Roma housing domain, as the projects are in the implementation phase, while data from the Ministry of Transport and Communications on the number of Roma who have been granted social housing under lease are not available.

Headline indicator	2018	2019	2020	2021	2022
Participation of Roma in the labour market services and active employment programmes and measures	227 (in active employment programmes and measures) 8.071 (services)	251 in active measures 9.736 in services	431 (in active employment programs and measures) 6.539 included in the employment services The Youth Guarantee includes 1,530 young unemployed Roma	488 in active measures 4396 in services	325 (in active employment programmes and measures) 10.000 services
Share of Roma in the total number of registered unemployed at ESARNM (%)	8,52	9,1	9,2	10.2	8,7
Inclusion of Roma children (0-6) in pre-school education	729	762	347 ^{vi}	420	1.000

Percent of Roma pupils who successfully complete primary education (%)	77	80%			83%
Number of Roma students enrolled in tertiary education	300	192		263	400
Rate of transition of Roma pupils from primary into secondary education (%)	87,0	77,4 %		78%	92
Rate of transition of Roma pupils from secondary into tertiary education (%)	38,0	40,5%		33,5%	45
Number of Roma families with access to social housing	118	0	0	There is no data on the number of Roma who were allocated social housing under lease; None of the distributed housing units in Strumica were allocated to a Roma family/ there were no Roma applicants	150
Number of communal infrastructure projects implemented in settlements with prevalent Roma population	:		1	7	23
Rate of infant mortality among the Roma population (per 1,000 live births, per mille, ‰)	10,2	7,1	11.1	The data for 2021 will be published in June 2022	<7

3.3.4.1. Objective: Further improvement of the living conditions and quality of life, access to services and social inclusion of Roma in the Republic of North Macedonia

Within the implementation of the Operational Plan for Active Employment Programmes and Measures and Labour Market Services for 2021, **3.250 people used the Activation of unemployed Roma and other persons at risk of social exclusion service**. The Government of the Republic of North Macedonia adopted the *National Programme for Transformation of Undeclared Work among Roma in the Republic of North Macedonia* (Promotion of Declared Work among Roma 2021-2023).

In 2021, there was a rising trend in the number of Roma included in the active employment measures, and the target for 2022 was exceeded. However, the number of Roma provided with labour market services marked a decline once again.

The academic year 2021/2022 is the fourth year in a row in which, in accordance with a Conclusion by the Government of the Republic of North Macedonia, Roma children at social risk are included in preschool education without payment of tuition fees for children from households of social risk. **The number of enrolled Roma children at the national level is 420, of whom 200 are from families at social risk who are exempt from paying tuition fees.** In 18 municipalities, 18 mediators are employed to raise awareness among parents about the importance of education.

In 2021 there was another increase of the inclusion of Roma children (0-6) in pre-school education, namely, 420 children compared to 347 in 2020.

There are positive changes in the secondary education of Roma. In 2021, the number of scholarships awarded in secondary education to Roma high school students in five categories has increased (from 800 in 2019, to 900 in 2020 and 917 in 2021). At the same time, the number of Roma students in special secondary schools has decreased.

In the area of social housing and general living conditions, in 2021 seven communal infrastructure projects were implemented in settlements with prevalent Roma population, which is below the target of 23 set for 2022. The construction of new social housing is underway, and the allocation of a part of the social housing units in Strumica was carried out, but there were no Roma among the persons who applied. The projects financed through the Instrument for Pre-Accession Assistance in the municipalities of Vinica, Shuto Orizari and Veles, Shtip, Bitola, Berovo, Prilep and Kichevo, which include modification of the urban plans, legalization of houses for Roma families, rehabilitation of houses, renovation of health institution departments, on-the-job training for young Roma, solid waste management, are being realised at an accelerated pace.

As regards the measure for continuous improvement of the health status and access to health care of Roma, the Ministry of Health provides financial resources to support and implement the Strategy for Roma Inclusion, namely, for the realisation of the project Roma health mediators; 23 health mediators were engaged. Activities for improving the conditions in the Shuto Orizari Health Centre are underway.

3.3.5. DEALING WITH KEY CHALLENGES IN THE PART OF PENSION SYSTEM SUSTAINABILITY

The ESRP sets two starting indicators to measure the tackling of key challenges relating to the pension system's sustainability, but only a percentage of the source income in relation to the total expenditures of the Pension and Disability Insurance Fund of the Republic of North Macedonia shows progress, while a percentage of the average pension in the average salary measuring the adequacy of pensions records a decline.

Indicator	2018	2019	2020	2021	2022
% of source income compared to total expenditures of PDIFNM	53,1	57,33	60,02	60,47%	65
% of average pension benefit in the average salary	59,5	54,41	54,72	53.02%	60

3.3.5.1. Objective: Strengthening the financial sustainability of the pension system and enhancement of efficiency in the exercise pension and disability insurance rights

In 2021, the percentage of source revenues in relation to total expenditures of PDIFRNM increased by 0.5 percentage points compared to 2020, but is below the target set for 2022.

In order to improve the quality of the services of the administration in the pension system within the “Social Insurance Administration Project (SIAP)” preparations were made for the establishment of the Central Registry of Socially Insured Individuals - SURS), establishment of a Central Disability Certification system, i.e. a central body for coordination of disability assessment and certification, reform of the employment system of persons with disabilities and review of the list of hazardous jobs/occupations entitled to early retirement with extended service period (reduced years of service).

3.3.5.2. Objective: Maintaining the adequacy of pensions and protecting the standard of pension beneficiaries

The average pension was 53.02% compared to the average salary and has seen a slight decrease compared to 2020 and is still below the level of 2018 (59,5%) and the 60% target set for 2022. The average salary grew faster than the average pension. In order to protect the standard of pension beneficiaries, the Government of the Republic of North Macedonia, in its programme, has committed to a stable pension system for current and future pensioners. In that regard, at the time of preparation of this report, a change in the methodology for regular adjustment of pensions is being prepared.

3.3.6. DEALING WITH THE KEY CHALLENGES IN THE FIELD OF THE HEALTH SYSTEM AND THE HEALTH PROTECTION OF THE POPULATION

Indicator	2018	2019	2020	2021	2022
Rate of infant mortality (per mille, ‰)	9,2	5,6	5.7	The data for 2021 will be published in June 2022	<7,0
Number of newly constructed and reconstructed public health facilities	1 new 3 reconstructed	7	0 ^{vii}	7 reconstructed 16 new (modular COVID centres)	2 new 4 reconstructed
“Upgrading the integrated health information system “My term” with new modules	31 (4 new) functional modules	3 new functional modules	5 new functional modules	8 functional modules	33 functional modules

3.3.6.1. Objective: Improving the access to health care for all citizens, conditions in the health system and the quality of health care services

The outcome indicator of infant mortality rate in 2020 records a mild rise of 5.7 per mille (compared to 5.6 per mille in 2019), but is below 7 per cent according to the set target for 2022. For 2021, the data will be published in June.

The reconstruction of the General Hospital Strumica was completed in 2021, and the Special Hospital for Gynecology Mother Teresa – Skopje and the General Hospital – Kumanovo were provided with gas supply. The reconstruction of the access paths in the University Clinical Centre Mother Teresa in Skopje was completed and 16 modular COVID-19 centres and new modular outpatient departments for the University Clinic for Pulmonology and Allergology – Skopje were set up.

The **integrated health information system “Moj termin”** was upgraded with 8 new modules in 2021, thereby exceeding the target set for 2022.

During 2021, the Centre for Epidemiological Monitoring and Health Crisis Management operated successfully to the aim of 24/7 monitoring of the COVID-19 situation, providing real-time information in two directions – to the public health authority and the database, preparing daily and weekly information, professional assistance and advice, risk assessment. **An operating system for electronic reporting of communicable diseases and an ALERT system for reporting syndromes in real time** was established. All available data is analyzed and shared with reference institutions (WHO, ECDC) according to established procedures.

3.3.6.2. Objective: Improving the expertise and competence of health-care workers

In 2021, the Programme for the need of specialist and subspecialist staff in accordance with the health care institutions network (2019-2022) was implemented and specializations/subspecializations were awarded to the employees in the public health care institutions.

4. COMMUNICATION

To the aim of implementing policies and programmes in the field of employment, education and social protection various communication activities were carried out, such as communication campaigns, preparation and dissemination of materials and press releases, meetings at the local level or with the business community, interviews and media appearances, and so on.

Communication activities took place throughout the year, in parallel for all key topics. The main communication channels in 2021 were the websites of the ministries, social media, online media and relevant digital info-platforms, specialized media/platforms focused and thematic events and initiatives. The approach applied was personal and focused addressing, specific content, simple and easy-to-read visual and audio solutions, practical advice and guidance, without using technical and administrative terminology. Communication activities include both line ministries and other competent institutions, relevant international organisations, users, and so on.

Due to the restrictions introduced to prevent the spread of the virus, social media and online media became the dominant channels for promoting policies and programmes to the wider community.

In 2021, the several campaigns to bring reforms closer to the citizens, the business community and the civil sector continued:



Namely, an integrated promotional campaign which includes products that convey the experience of real users of employment measures. The promotional activities were implemented depending on the dynamics and availability, as well as filling in the scope of employment programmes and measures. A short-term campaign was also carried out to promote successful results.



Promotional activities were also carried out, mainly through social media to encourage the labour market activation of the beneficiaries of guaranteed minimum assistance.

LEARN SMART, WORK PROFESSIONALLY

Under the slogan *“Learn smart, work professionally”* a series of meetings were organized with companies to open in-demand profiles in vocational schools. Namely, through social dialogue with the companies and the business community at the local level, the Ministry of Education and Science together with the municipalities worked on determining which profiles will be introduced in the secondary vocational schools in the academic year 2022/2023.





A multi-year campaign to inform the public about the reforms in the field of social and child protection. The information relates to investments in the development and improvement of social services, as well as early childhood development and education. Information is published at: <https://www.ssp.mk/> and <https://www.facebook.com/Se.Grizhime>

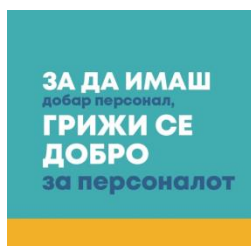


Two campaigns under the auspices of the Economic and Social Council continued to be implemented with the support of the ILO and the EU in order to strengthen workers' rights.

MY LABOUR, MY RIGHTS

A campaign is being conducted to raise awareness about employment rights. Workers, employers and other interested citizens are referred to the website <https://mojtrudmoiprava.mk/>, to be informed about everything related to workers' rights. The website had 90,000 views. 500 high school students were trained on basic labour rights.

Campaign on formalising undeclared work <https://www.facebook.com/FormalizirajJaRabotata>



Campaigns to promote social entrepreneurship and social enterprises

The campaign is carried out within the Project "Supporting Social Enterprises", under IPA. The campaign covered the holding of National and regional trade fairs for social enterprises, representation on social media. The opening of the first National Centre for Social Enterprises attracted special media attention.



5. CONCLUSIONS AND FUTURE STEPS

The key activities that are planned or should be taken in 2022, regarding the three priority areas, aimed at realizing the set objectives and target indicator values for 2022 are presented in this section.

The ESRP envisages a total of 78 measures/activities in the three priority areas. Almost all activities are multiannual, i.e. for the entire duration of the programme. Part of the activities are carried out according to annual operational plans, so the assessment of the degree of realisation is made according to whether the annual plans have been achieved. It should be borne in mind that even in the case of full implementation of the activity in 2021, the same activity is relevant and will continue to be implemented in the coming years (such is the case with the implementation of active employment measures). On the other hand, some measures are implemented successively, so if their implementation has started and is ongoing, the general assessment is that they are partially implemented and steps should be taken to full implementation in the coming period.

It was assessed that 44 measures were fully implemented, 32 measures were partly implemented and 2 activities are not yet implemented.

245 million euros were spent for the implementation of the measures, but these funds are undervalued because they do not cover, for example, the administrative expenses of the institutions responsible for providing the services, as well as certain donations that are not part of the Budget of the Republic of North Macedonia and regarding which the ministries had no information.

The implementation of activities in all priority areas, as stated below, continues in 2022.

Priority Area 1: Labour Market and Employment

- ◆ **The Youth Guarantee** continues to be implemented in 2022 with a coverage of at least 10,000 young people, of which at least 30% will be employed, will continue the education or will be included in active employment programmes and measures, within a period of 4 months. It is necessary to strengthen the outreach activities in order to activate the inactive young people.

The Employment Service Agency of the Republic of North Macedonia is the coordinator of the Youth Guarantee and the increase of its personnel, information, physical and financial resources is necessary for the successful implementation of the programme. It is expected that the ESARNM will be able to implement the Recruitment Plan for 2022, digitize part of its processes and realise the planned improvements of working conditions and services in some of the employment centres.

In the “Early Intervention” part, the continuous promotion and improvement of vocational schools, introduction of new curricula for the fourth year in vocational schools from September 2022, organisation of advisory meetings with local community and the business sector will continue, in order to align the policy for enrollment in secondary vocational schools with the labour market needs. Additionally, after the adoption of the *Law on Adult Education*, all bylaws which regulate the mechanisms for validation of non-formal education and informal learning (accreditation of providers of validation services, creation of a register) will be adopted. Amendments to the *Law on Higher Education* could enable the use of the “Skills Observatory” information system for monitoring the outcomes of educational processes and matching education with the labour market.

A new plan for implementation of YG will be developed in 2022, which will be based on the results and experiences from the implementation of YG, as well as the recommendations and guidelines of the European Commission.

- ◆ Investments in active measures, their continuation and increase are significant, especially for dealing with the challenges of the economic and health crisis. The Operational plan for active employment programmes and measures and labour market services for 2022 will support 13,075 unemployed persons, for which a budget in the amount of about 29.9 million euros has been allocated. Of particular importance are job creation programmes and on-the-job training.
- ◆ A challenge for 2022 is the consistent implementation of policies for **activation of socially disadvantaged persons** (beneficiaries of Guaranteed Minimum Assistance, Roma, etc.), which

intensified last year, but the pace of implementation is still below expectations. The Study on the Impact of Social Benefits on the Labour Market Activation of Vulnerable Groups is expected to be finalised (with the support of the United Nations Development Programme and the Swiss Agency for Development and Cooperation). Moreover, it is necessary to plan short-term and long-term solutions for the implementation of the recommendations from the Study on the Impact of Social Benefits on the Labour Market Activation of Vulnerable Groups, in terms of:

- ~ Improving human and financial resources of the Centres for Social Work and the Employment Service Agency of the Republic of North Macedonia;
- ~ Considering the possibility for changes in the GMA and the overall social and child protection system to make work the more appealing option rather than the GMA programme;
- ~ Consistent application of detection and sanction measures to reduce the possibility of GMA beneficiaries working in the informal economy;
- ~ Providing quality counselling aimed at lessening the discouragement of GMA beneficiaries from labour market integration.

As regards the **employment of people with disabilities**, the piloting of the work-oriented rehabilitation continued. The emphasis is placed on work-oriented trainings for people with disabilities and employment support. Consultations and further development of the new concept for employment of people with disabilities will be conducted. The new *Law on Employment of People with Disabilities*, which will regulate the new concept for employment of people with disabilities, will be prepared.

In 2022, the **National Strategy for Development of Social Enterprises in the Republic of North Macedonia** will be implemented through the preparation of a legal framework and further operation of the National centre for support of social enterprises, by providing financial support for growth and development of social enterprises, among other things, to help job creation and inclusion of the most vulnerable groups in the labour market.

- ◆ **Increasing the participation of women in the labour market and reducing the gender gap** is one of the priorities in the new *National Employment Strategy 2021-2027*. Measures to activate women and reduce gender inequality in the labour market will continue. A new *Law on Gender Equality* will be adopted in order to establish an efficient system of gender equality.

For the **harmonisation of professional and private life**, the adoption of a new *Law on Labour Relations* is especially important, which will introduce paternity leave, the possibility for fathers to also use parental leave, that is, paid leave from work for the provision of care and the right to flexible working arrangements for the purposes of providing care to a child in accordance with the *EU Parental Leave Directive* and international labour standards. The Ministry of Labour and Social Policy will continue to invest in capacity building to cover a larger number of children in preschool education, as well as in the further development of services for the care of the elderly and infirm.

The ratification of the *International Labour Organisation C190 – Violence and Harassment Convention from 2019* and amendments to the *Law on Protection from Harassment at Work* will be initiated to promote measures to eliminate sexual harassment in the workplace.

- ◆ **Tackling informal employment** in the country is another priority for efficient and long-term improvement of the labour market situation. In 2022, a voucher model will be finalised in the services, tourism and hospitality sectors, as well as in agriculture, focused on personal services and household services, a campaign for undeclared work will be conducted and a tool for data exchange and the indicators for monitoring the *Strategy on Informal Economy* will be calculated. The adoption of the new *Law on Labour Relations* will improve the way of regulating seasonal and other forms of flexible employment. The need to prepare a legal solution to regulate seasonal, temporary and casual employment is being considered. The strengthening of the capacities of the State Labour Inspectorate continues.
- ◆ In respect of **promoting the quality of work and services of the public employment service**, the priority is to enhance human resources and restructure the operation of the Employment Service Agency, taking into account the increased influx of clients and other challenges imposed

by the social reform and the pandemic. In 2022, the Employment Service Agency is expected to modernize four employment centres in the three planning regions (Polog, Northeast and Southwest). During 2022, the Employment plan of the ESARNM provides for the indefinite-term employment of 29 people, which includes 19 new employments in the centres for employment and 10 new employments in the Central Office of ESARNM. Moreover, three new promotions are planned. It is envisaged to improve the methodology of the Skill Needs Analysis. It is therefore important to strengthen the established communication and to advance the existing cooperation procedures between the centres, as well as to upgrade their capacities through training.

- ◆ **Social dialogue** is expected to continue to play a key role in shaping the economic, social and labour market policies for the period after 2022. Support is foreseen for the unions and associations of employers through improving visibility and adjusting to the new reality by introducing new services that will keep the existing and attract new members. Although significant progress has been made in obligating other ministries and state bodies to submit materials to the Economic and Social Council, its visibility in relation to other state bodies and institutions remains a challenge for the ESC. Finally, it is necessary to assess the need to revise the existing legal framework for the amicable settlement of labour disputes.

Priority area 2: Human Capital and Skills

- ◆ To **encourage the inclusion of children from marginalized groups** it is planned to expand the work responsibilities of educational mediators to cover Roma secondary pupils and to hire teaching assistants for Roma pupils in the municipalities of Shuto Orizari, Gazi Baba, Karposh, Gjorche Petrov and Chair.

With a view to continuously provide textbooks to pupils in primary schools, the preparation and adoption of a new *Law on Textbooks for Primary and Secondary Education* is a priority, which will be accompanied with the preparation and approval of new textbooks for first, second, fourth and fifth grade in accordance with the new curricula.

The provision of free accommodation for students in dormitories in the academic year 2022/2023 will continue, as well as the improvement of the accommodation conditions in dormitories.

In order to intensify the monitoring and recording of students who have irregular school attendance and to enhance the work with the parents of students, a review of the Programme for Students and the Programmes for Counseling of Parents/Carers is planned with the support of UNICEF.

Intercultural Education Standards will be adopted in secondary education to the aim of improving integration and interaction between pupils attending classes in a different teaching language.

Further support for primary schools is foreseen in the form of resource centres and capacity building, as well as continuous support and training of inclusivity teams in schools in order to promote the inclusion of pupils with disability into regular primary education.

The adoption of a new *Law on Secondary Education* and opening of resource centres is expected to contribute to an increase of the coverage and inclusion of pupils with disability in secondary education.

To improve the accessibility and availability of higher education to students with disabilities, a Decree on the right of persons with disabilities and other persons to be exempted from tuition fees will be adopted and implemented (at the proposal of the National Council for Higher Education and Scientific Research Activity, which was adopted at the 23rd session of the Government held on 8 March 2022^{viii}). Simultaneously, work is done on completing the reconstruction of 4 higher education institutions aimed at providing accessibility and availability to students with disabilities. To the aim of improving the possibilities and expanding the range of learning programmes for adults with disabilities, verification of a number of non-formal

education programmes for adults with disabilities is expected and complete enabling of all functionalities of the regional centres for vocational education and training.

In order to **improve the content and quality of education**, there will be a successive implementation of the *Concept Note for Primary Education* in all grades, on the basis of which new curricula will be developed in accordance with the national standards based on competencies. Furthermore, a new *Law on Secondary Education* and a new *Concept Note for Secondary Education* are planned to be adopted.

With a view to strengthen the human resources capacities in education, activities will be undertaken for accreditation of training programmes for teachers and professional associates and preparation of a training catalogue. A promotion process will also be carried out for the title of professional associates in primary education and for teachers and professional associates in secondary education.

- ◆ In regard to the implementation of the National Qualifications Framework for Lifelong Learning the additional active work of the National Board of the Macedonian Qualifications Framework is expected in creating qualifications policies. It is necessary to establish the remaining Sectoral Qualifications Councils. It is planned to work on a communication strategy and communication policies regarding the framework and visibility of qualifications with the support of the Twinning Project under IPA *“Further support to the implementation of the National Qualifications Framework”*. Furthermore, with the support of the Project under IPA the Qualifications Register will be upgraded.
- ◆ In the part of **strengthening the employability of the workforce and building flexible lifelong learning pathways**, the new fourth year curricula is planned to be introduced in vocational schools as of September 2022 to ensure greater compliance of VET with the labour market needs. The new *Law on Vocational Education and Training* will regulate the system of post-secondary education and provide for continuous promotion and improvement of vocational schools, organisation of consultative meetings with the local community and the business sector in order to align the policy for enrollment in secondary vocational schools for the academic year 2022/2023 with the labour market needs. The *Law* will incorporate provisions from the Concept for work-based learning and a new formula for the manner of financing vocational education while taking into account work-based learning. The three regional centres for vocational education and training will be completely renovated and their capacities will be enhanced. Opportunities for establishing new regional centres in other planning regions will be considered. After the adoption of the *Law on Adult Education*, all bylaws which systematically regulate the mechanisms for validation of non-formal education and informal learning will be adopted.

Priority Area 3: Social Inclusion and Social Protection

- ◆ The application of **social and child protection** laws continues to be monitored in terms of the adequacy and coverage of programmes, especially bearing in mind the energy crisis and rising prices. Additionally, short-term and long-term solutions for implementation of the recommendations from the *Study on the Impact of Social Benefits on the Labour Market Activation of Vulnerable Groups* will be planned. The development of the integrated software for social benefits and social services will be initiated. With respect to the availability of social services, the financial and technical support will continue to be provided for the development of new social services in 10 municipalities in the Republic of North Macedonia, as well as licensing of newly established services. The number of licensed service providers is expected to increase, covering all categories of service providers and thus increasing the coverage of beneficiaries that will have access to the services needed in their community.

The activities for enhancing the system for monitoring and quality assurance of social services continue (e.g. testing the reporting procedures) as well as for improving the capacities of existing and potential service providers, including municipalities. The provision of support to an additional number of municipalities for the development of social protection plans is envisaged.

- ◆ The implementation of the **National Deinstitutionalization Strategy** continues through the preparation for resettlement of about 30 beneficiaries of the Special Institute in Demir Kapija to

supported living, transformation of the existing institutions (opening of the centre for family respite care in Demir Kapija, renovation of the Institute for Rehabilitation of Children and Youth Skopje –Topansko Pole). Specifically, project documentation for comprehensive reconstruction of the Institute for Rehabilitation of Children and Youth Skopje will be prepared, which envisages the institution to grow into a modern centre for early identification and intervention, day care centre, vocational rehabilitation and family care centre. A new three-year *Action Plan 2022-2024* for the implementation of the *National Deinstitutionalization Strategy 2018-2027* will be adopted.

- ◆ The activities of the ESARNM to increase the **employment opportunities for Roma** continue with the realisation of the *Operational Plan on Active Employment Programmes and Measures and Labour Market Services for 2022*. The activation of unemployed Roma and other people at risk of social exclusion in accordance with the Acceder model and mentorship programme for Roma also continues.

Roma education mediators continue to work in primary education, and their number is increasing to the aim of increasing the coverage of **Roma** children in primary education, reducing the number of pupils leaving school, reducing the number of Roma pupils enrolled into special schools, strengthening the relationship of the Roma community and parents with school through combating social exclusion (desegregation and discrimination), respecting the differences and promoting intercultural education. The work responsibilities of education mediators will be expanded to cover Roma secondary education students, and teaching assistants will be hired for Roma students in the municipalities of Shuto Orizari, Gazi Baba, Karposh, Gjorche Petrov and Chair.

The houses of about 6.800 Roma households will be legalized in Prilep, Bitola, Shtip and Berovo; 80 new houses will be built in Shitp and Kichevo, while at the same time 65 houses will be reconstructed in Prilep and Berovo (with IPA support).

In the area of health care, it is necessary to find a solution for a gynecologist in the municipality of Shuto Orizari from among the doctors referred to specialization.

- ◆ Appropriate measures will be taken continuously to **ensure the social security of pensioners**. Therefore, change in the methodology for the regular adjustment of pensions twice a year ensued: instead of a 100% adjustment with the increase in the cost of living, the adjustment will be made with the sum of a 50% increase in the cost of living and a 50% increase in the average salary, twice per year, on March 1 and September 1 (the amendment was adopted in March 2022).
- ◆ Long-term projections will be made to show the need for further system interventions in order to ensure its sustainability. In 2022, the focus will be on the development of a Central Registry of Socially Insured Individuals and preparation of the necessary legal amendments. At the same time, preparations are underway to establish a centralized system for assessment and certification of disability, that is, ability to work and a Central coordination body for determining disability.
- ◆ Finalisation of the ongoing reconstructions and constructions of public health institutions (Shtip Clinical Hospital, Kichevo General Hospital, University Clinic of Surgical Diseases St. Naum Ohridski, Polyclinic in Saraj, replacement of outpatient polyclinic facilities of the Skopje Health Centre) as well as the start of new ones within the budget of the Ministry of Health, is underway. Reconstruction is also planned to increase the energy efficiency of 18 public health facilities through the project for energy efficiency in the public sector, implemented via the Ministry of Finance, and financed by the World Bank.

Specific modules of the integrated health information system “Moj termin” will be upgraded, and the IT systems of the Ministry of Health and the Health Insurance Fund will be integrated to define standards and a basic solution for the Single Patient Register for all health institutions.

ANNEX 2 – MONITORING THE ERSP INDICATOR MATRIX AND TARGET VALUES

LABOUR MARKET AND EMPLOYMENT					
Indicator	2018	2019	2020	2021	2022
Employment rate (15+) (%)	45,1	47,3	47,2	47,2	48,5
Employment rate (15+) – MEN (%)	54,4	56,6	55,9	56,2	58,7
Employment rate (15+) – WOMEN (%)	35,8	38,1	38,4	38,3	39,0
Youth employment rate (15-29) (%)	30,9	34,4	33,5 ^{ix}	33,4	34,5

3.1.1. IMPROVEMENT OF THE UNEMPLOYMENT SITUATION, ESPECIALLY WITH THE MOST VULNERABLE CATEGORIES (YOUTH, LONG-TERM UNEMPLOYED AND OTHERS)

Employment rate (20 – 64) (%)	56,1	59,2	59,1	59,5	59,8
Employment rate (20 - 64) – MEN (%)	66,6	69,7	68,9	69,5	70,4
Employment rate (20 - 64) – WOMEN (%)	45,2	48,4	49,0	49,2	48,9
Unemployment rate (15+) (%)	20,7	17,3	16,4 ^x	15,7	14,0
Youth unemployment rate (15-29) (%)	37,0	30,5	29,6 ^{xi}	27,6	30,5
Long-term unemployment rate (%)	15,5	13,1	12,4 ^{xii}	12,5	11,0
Rate of youth neither in employment nor in education or training (NEET, 15-29)	29,8	24,5	26,2 ^{xiii}	24,3	22,9
Total number of persons involved in various labour market services and active employment measures and programmes	117.347	7,598 in active measures 115.836 in services	10.953 in active measures 57.087 in services	11.292 in active measures 75.175 in services	min.60.000 per year
Coverage of young persons (15-29) with programmes, employment measures and services, within the annual Operational plans	38,8%	56,45% in active measures 38,34 % in services	66,8% in active measures 35,5 % in services	66,5% in active measures 29,3 % in services	min. 30%
All young persons registered for the first time in ESARNM, are being profiled early , i.e. during the first 6 months of their unemployment period	√	√	√	√	√
Number of youth involved (registered) in the Youth Guarantee	:	20.302	25.502 (12.863 women)	19.322	min. 10.000
% of youth involved in the Youth Guarantee, who, within a period of four months upon registration in the YG, had a successful exit (employed, entered a specific training or	:	35%	35%	41%	min. 30%

other active measure)					
Share of unemployed persons – recipients of benefits from the Social Work Centres (GMA) in the total number of participants in active employment programmes and measures and labour market services	:	5,4 % in active measures 24,3% in services	3,5 % in active measures 16,6% in services	6,5 % in active measures 17,6% in services	30%
Percentage of registered employments of persons with disabilities in the open economy, as compared with the employments in the sheltered companies	69%	73,9%	71,3 %	61,89%	>60%

3.1.2. TACKLING INFORMAL EMPLOYMENT

Share of informal employment in total employment (%)	18,6	16,1	13,6	12,1	16,5%
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3.1.3. IMPROVEMENT OF THE QUALITY OF WORK AND SERVICES OF THE PUBLIC EMPLOYMENT SERVICE

Number of renovated/reconstructed regional employment centres with significantly improved work conditions	15	1	1	2	25
Number of employees in ESARNM and number of staff involved in the activities for strengthening their capacities (trainings, workshops, seminars, etc.)	430	127	129	253	min. 550 each employee at least once a year involved in training / seminar
Number of unemployed persons with IEP-2	6,213	7,514	3448 ^{xiv}	4.070	14.000 Of which min. 60% involved in an active measure or service
Number of applications for employment mediation (N.B. job placement) submitted to ESARNM by employers	4.824 3.164 (66%) positively resolved	4.705 3.013 (64,04%) positively resolved	3.646 2.767 (75,9%) positively resolved	4.151 2.751 (66,3%) positively resolved	6.000 Mostly positively resolved

3.1.4. STRENGTHENING SOCIAL DIALOGUE IN THE REPUBLIC OF NORTH MACEDONIA AT TRIPARTITE AND BIPARTITE LEVEL, IMPROVEMENT OF COLLECTIVE BARGAINING

Trade Union Density Rate (%)	21,16	19,83	17,29	16.76	>26
Collective bargaining coverage rate at branch, i.e. sector level (%)	32,68		38,46	43.39	37
Number of collective agreements at employer level	85 * (realisation in 2017)	92	92	92	95-100
Rate of successfully resolved collective labour disputes using the mechanism for amicable settlement of labour disputes	60%	60%	60%	100%	min. 70%

Established and functional mechanism for following ESC's recommendations and regular monitoring of the number of opinions/recommendations issued to the Government of RNM	7 opinions./recom.	10 opinions./recom.	2 opinions./recomm.	9 opinions./recomm	min. 3 opinions./recomm
HUMAN CAPITAL AND SKILLS					
Human Development Index	0,759	0,774	/	/	0,780

3.2.1. PROVIDING HIGH QUALITY INCLUSIVE EDUCATION AND EQUAL ACCESS TO EDUCATION FOR ALL

Rate of early school leavers (%)	7,1	7,1	5,7 ^{xv}	4,6 ^{xvi}	6,8
Share of persons aged 30-34 who completed tertiary education (%)	33,3	35,7	39,7 ^{xvii}	36,9 ^{xviii}	40
Rate of students with special educational needs included in regular primary and secondary education (%)	64,8		67,1	66,6	70

3.2.2. IMPLEMENTATION OF THE NATIONAL QUALIFICATION FRAMEWORK FOR LIFELONG LEARNING – BASIS FOR QUALITY ASSURANCE IN THE EDUCATION AND TRAINING SYSTEM

Number of established Sectoral Qualifications Councils (for development and quality assurance of qualifications in specific sectors)	9	9	10	11	16
Established and functional Skills Observatory (to anticipate the needs for skills in the labour market)	It is not established	It is not functional. Provisions have been introduced in the new <i>Law on Primary Education</i> (from 2019) for processing personal data for the needs of the Skills Observatory, and it is necessary to enter provisions in the <i>Law on Secondary</i> and the <i>Law on Higher Education</i> to be functional	It is functional. Provisions have been introduced in the <i>Law on Secondary Education</i> (from 2020) for processing personal data for the needs of the Skills Observatory, and it is necessary to include provisions in	It is functional. It is necessary to include provisions in the <i>Law on Higher Education</i> in order to obtain statistical data and analyses for higher education	It is established

			the <i>Law on Higher Education</i> in order to obtain statistical data and analysis for higher education		
Functional Qualifications Register (overview and transparency of qualifications)	Register established	Register established	Functional register for qualification standards	Functional Qualifications Register, the procedure for upgrade of the register has started	Functional and upgraded registry with registry module occupational standards and occupational standard revision module

3.2.3. STRENGTHENING THE EMPLOYABILITY OF THE LABOUR FORCE AND BUILDING FLEXIBLE LIFELONG LEARNING PATHWAYS

Share of students in secondary schools in the VET system (%)	60,0	61,8	62,1	64	>60%
Share in lifelong learning (%)	2,4	2,8	2,6 ^{xix}	2,5^{xx}	>4,0%
Employment rate of persons (20-34) who recently graduated secondary or tertiary education (%)	49,1	57,2	54,5 ^{xxi}	58,2	55%
Number of Regional Vocational Education and Training Centres (RVETC)	None	The activities have started. Amendments have been made to the <i>Law on Vocational Education and Training</i> and the three secondary vocational schools that will be transformed into RVETC have been determined.	Three At the 24th session of the Government, held on 24.11.2020, Decisions were adopted by which three municipal schools continue to operate as Regional Centres for Vocational	Three In 2021 three regional vocational education and training centres started operating	

			Education and Training. Based on the decisions, the three schools amended the statutes, and the Ministry of Education and Science issued decisions for consent.		
SOCIAL INCLUSION AND SOCIAL PROTECTION					
Poverty rate (%)	21,9%	21,6% ^{xxii}	21,8%	The data will be published in December 2022	16,0

3.3.1. ENHANCING THE EFFICIENCY AND EFFECTIVENESS OF THE SOCIAL ASSISTANCE SYSTEM

% of households covered by all types of social protection financial benefits	8	8,5	The data for 2020 will be published in June 2022		14
% of absolute poverty	:	:	:	:	<1,0
Number of children covered by child protection programmes (child allowance and education allowance)	43.000 c.a. 3.800 e.a.	38.855 c.a. 9.408 e.a.	43.649 c.a. 26.167 e.a.	48.800 c.a. 28.815 e.a.	75.000 c.a. 65.000 e.a.
Number of recipients of benefits under social security of the elderly	:	6.495	8.573	10.292	6.000

3.3.2. IMPROVING THE AVAILABILITY OF SOCIAL SERVICES

Number of established local (municipal) social protection councils	0	9	11	60	81
Number of established regional social protection councils	:	0	0	7	8
Number of licensed service provided (by type of service; home based, community based, extra-familial care)	:	12 (10 – home based services, 1 – community-	20 (12 – home based services,	62 (1 – professional assistance and	30

		based services, 1 – extra-familial care)	2 – community-based services, 6 – extra-familial care)	support services, 2 – advisory services, 31 – home based services, 8 – community-based services, 20 – extra-familial care)	
3.3.3. SUPPORT AND PROMOTION OF DEINSTITUTIONALIZATION					
Number of people accommodated in housing units with supported living arrangements or group homes	173	226	226	241	250
Number of users of social services (per service type: homebased, community- based, extra-familial care)	3.058	Total 4620 (423-home-based services, 2042-community-based services, 2155 extra-familial care (*including foster families and accommodation in institutions for the elderly, the data on organized living which is also extra-familial care is listed above)	Total 4629 (454- home-based services, 1728-community-based services, 2447 extra-familial care (*including foster families and accommodation in institutions for the elderly, the data on organized living which is also extra-familial care is listed above)	Total 4680 (518- home-based services, 1200-community-based services, 2962 extra-familial care (*including foster families and accommodation in institutions for the elderly, the data on organized living which is also extra-familial care is listed above)	4.500
Number of persons accommodated in residential social protection institutions	376	260 (in the phase of deinstitutionalization – Banja BANSKO, T. Pole and Demir Kapija)	261	226	0

3.3.4. PROMOTION OF SOCIAL INCLUSION OF ROMA

Participation of Roma in the labour market services and active employment programmes and measures	227 (in active measures and employment measures) 8.071 (services)	251 in active measures 9.736 in services	431 in active programmes and employment measures 6,539 in employment services. 1,530 young unemployed Roma in the Youth Guarantee	488 in active measures 4396 in services	325 APEM 10.000 services
Share of Roma in the total number of registered unemployed at ESARNM (%)	8,52	9,1	9,2	10.2	8,7
Inclusion of Roma children (0-6) in pre-school education	729	762	347 ^{xxiii}	420	1.000
Percent of Roma pupils who successfully complete primary education (%)	77	80 %		Data is not yet available	83%
Number of Roma students enrolled in tertiary education	300	192		263	400
Rate of transition of Roma pupils from primary into secondary education (%)`1	87,0	77,4 %		78%	92
Rate of transition of Roma pupils from secondary into tertiary education (%)	38,0	40,5%		33,5%	45
Number of Roma families with access to social housing	118	0	0	There is no data on the number of Roma who have been allocated with social housing under lease; None of the distributed housing units in Strumica were allocated to a Roma family/ there were no Roma applicants	150
Number of communal infrastructure projects implemented in settlements with prevalent Roma population	:		1	7	23
Rate of infant mortality among the Roma population (per 1,000 live births, per mille, ‰)	10,2	7,1	11,1	The data for 2021 will be published in	<7

				June 2022	
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3.3.5. TACKLING THE KEY CHALLENGES RELATING TO THE SUSTAINABILITY OF THE PENSION SYSTEM

% of source income compared to total expenditures of PDIFNM	53,1	57,33	60,02	60.47	65
% of average pension benefit in the average salary	59,5	54,41	54,72	53.02	60

3.3.6. TACKLING THE KEY CHALLENGES IN THE FIELD OF THE HEALTH SYSTEM AND PUBLIC HEALTH CARE

Rate of infant mortality (per mille, ‰)	9,2	5,6	5,7	The data for 2021 will be published in June 2022	<7,0
Number of newly constructed and reconstructed public health facilities	1 new 3 rec.	7	0^{xxiv}	7 rec. 16 new (modular covid centres)	2 new 4 rec.
Upgrading the integrated health information system "My term" with new modules	31 (4 new) functional modules	3 new functional modules	5 new functional modules	8 new functional modules	33 new functional modules

ⁱ Eurostat database.

ⁱⁱ Due to the situation with COVID-19, certain types of services on the labour market were realized with a reduced volume. The preparation of the IEP requires the presence of the unemployed person in the employment centre and longer counseling, which was made more difficult due to the introduced measures to prevent the spread of the virus. Some of the unemployed persons on the record already had an IEP-2 prepared or their status had been changed, and the number of persons for whom an IEP-2 will be prepared, i.e., IEP for hard-to-employ persons depends on the number of unemployed persons for whom based on the profiling it has been determined that they belong to the category of hard-to-employ persons for whom this form of IEP is prepared.

ⁱⁱⁱ "Official Gazette of the RNM" no. 163/21 dated 16.07.2021.

^{iv} "Official Gazette of the Republic of North Macedonia" No.163/21

^v "Official Gazette of the Republic of North Macedonia" No.294/21

^{vi} From September 2020 to May 2021, according to the Protocol for work of kindergartens in pandemic conditions, kindergartens worked with a reduced capacity. Priority was given to children whose parents are employed and children of single parents

^{vii} The value of the indicator is 0 because the commenced construction/reconstruction of the buildings was not finished in 2020, works are still ongoing

viii "Official Gazette of the Republic of North Macedonia" No.61/22 од 15.3.2022

ix Men -39,3% , women-27,4%

x Men -16,6% , women-15,5%

xi Men - 27.8%, women - 31,9%

xii Men – 12,7%, women – 11,9%

xiii Men – 23,6%, women – 29%

xiv Due to the situation with COVID-19, certain types of services on the labour market were realized with a reduced volume. The preparation of the IEP requires the presence of the unemployed person in the employment centre and longer counseling, which was made more difficult due to the introduced measures to prevent the spread of the virus. Some of the unemployed persons on the record already had an IEP-2 prepared or their status had been changed, and the number of persons for whom an IEP-2 will be prepared, i.e., IEP for hard-to-employ persons depends on the number of unemployed persons for whom based on the profiling it has been determined that they belong to the category of hard-to-employ persons for whom this form of IEP is prepared.

xv Men – 5,7%, women – 5,8%

xvi Men – 4,7%, women - 4,6%

xvii Men –34,3%, women – 45,3%

xviii Men –31,8%, women – 42,3%

xix Men –2,5%, women – 2,7%

xx Men –2,3%, women – 2,6%

xxi Men –59,1%, women – 50,2%

xxii Men –21,1%, women – 22%

xxiii From September 2020 to May 2021, according to the Protocol for work of kindergartens in pandemic conditions, kindergartens worked with a reduced capacity. Priority was given to children whose parents are employed and children of single parents

xxiv The value of the indicator is 0 because the commenced construction/reconstruction of the buildings was not finished in 2020.