

GOVERNMENT OF THE REPUBLIC OF NORTH MACEDONIA

MINISTRY OF LABOUR AND SOCIAL POLICY

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

**ANNUAL REPORT FOR 2020** 

May 2021

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#### Abbreviations

ESARNM – Employment Service Agency of the Republic of North Macedonia

- **GDP** Gross Domestic Product
- OHW Occupational Health and Safety at Work
- **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 Program
- 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
- MoES Ministry of Education and Science
- ILO International Labour Organization
- NEET Not Employed in Education or Training
- RNM Republic of North Macedonia
- WHO World Health Organization
- VET Vocational Education and Training
- PDIFNM Pension and Disability Insurance Fund of North Macedonia
- VETC Vocational Education and Training Centre
- **UNDP** United Nations Development Program
- DDPLEMC Directorate for Development and Promotion of Languages in the Education for the Minority Communities

### **1. INTRODUCTION**

### **1.1 ESPR preparation and monitoring**

The Employment and Social Reform Program 2020 (ESRP 2020) was initially adopted by the Government of the Republic of North Macedonia in August 2017. Following the adoption of the ESRP Program, regular monitoring and reporting on the progress in the implementation of the Program was provided by the Working Group for the Education, Employment and Social Policy Sector. 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 Program 2022 - (r) ESRP 2022** establishes the reforms and policies that will be implemented within the three priority areas:

#### 1. Labour and employment market

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 Program, 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 with the content of the Revised Program and provide comments and views. The Sector Working Group is a key policy dialogue platform co-chaired by the Ministers of Education and Science and 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, Cabinet of the Minister without portfolio in charge of the Roma Strategy, Secretariat for European Affairs, State Labour Inspectorate, State Statistical Office, Bureau for Development of Education, Employment Agency of the Republic of North Macedonia (ESA), Centre for Vocational Education and Training, Centre for Education of Adults, PI Institute for Social Activities - Skopje, National Agency for European Educational Programs and Mobility. During 2020, due to the situation with the Covid-19 pandemic and the measures for health protection, the Sector Working Group held two meetings, as opposed to the planned 4 meetings.

This Annual Report on the implementation of the "Revised Employment and Social Reform Programme 2022" for 2020 was reviewed by the Sector Working Group at its meeting held on May 25, 2021. The report was adopted by the Government of the Republic of North Macedonia in June 2021 (75th session of the Government of RSNM held on June 1, 2021).

### 1.2 Summary of 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 2020, progress has been made in achieving the strategic Objectives in the three priority areas. The biggest challenge in 2020 in North Macedonia, as in the rest of the world, was 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 citizens. In addition, it is specific for North Macedonia that in the first half of 2020 the so-called technical government was in place, while the Assembly was not functional, i.e. it was dissolved due to the planned parliamentary elections in April, which were then postponed to June (detailed in part 2). Hence, all measures and policies were implemented through decrees issued by the technical government, which had legal force.

#### Priority area 1: Labour market and employment

This priority area includes four strategic objectives. In 2020 significant progress (and exceeding of some targets set for 2022) has been achieved in improving the unemployment situation, especially in the most vulnerable categories, despite the decline in economic activity, most likely due to the anti-crisis packages implemented by the Government. 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.

In terms of the headline indicators for this strategic objective, progress has been made in two of the four indicators, namely the female employment rate (although further progress is needed to reach the 2022 target) and the youth unemployment rate (target reached).

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, the key labour market indicators have improved. Exceptions are the overall employment rate (20-64), the male employment rate (20-64) and the NEET rate which in 2020 show some deterioration after a long period of decline. In 2020, the youth unemployment rate (15-29) has already exceeded the set target. Both indicators for youth are less favourable for women than for men.

Despite the challenges in the labour market related to the Covid-19 pandemic which caused a significantly increased inflow in the records of unemployed persons in the ESARNM, the Youth Guarantee can be assessed as successful in 2020. In 2020 25,502 people (12,863 women) were enrolled in the Youth Guarantee. Of these, 7,684 were employed over a period of 4 months, and 1,257 persons were involved in some of the active employment measures that do not lead to direct employment, but increase their employability. Therefore, the performance of the Youth Guarantee in 2020 so far is 35%. The coverage of young people (15-29) with programs, measures and services for employment, within the annual Operational Plans reached 66.8% for active measures and 35.5% for services on the labour market, which is exceeding the set target of minimum 30%.

The 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 of 3.5% in active measures and 16.6% in services, has declined compared to 2019 and is below the 30% target.

Regarding the activation of persons with disabilities in 2020, 71.3% of the registered employments of persons with disabilities are in the open economy, compared to the employments in protective companies, which is a slight deterioration compared to 2019, but in any case, it exceeds the target of 60%.

Some progress has also been made in alleviating gender gaps, although the pandemic situation (and the decision for online education) has again put women in a less favourable position in the labour market in terms of the difficulty of balancing work, childcare and home chores. In 2020, 44.7% of the participants in active employment measures and 51% in labour market services were women. Additionally, within the Competitiveness, Innovation and Entrepreneurship Program for 2020, 66 businesses were subsidized, 11 of which through the sub-measure 1.4 Financial Support for Women Entrepreneurship. In Measure 115 - Support for an Active Female Member in the Agricultural Household, approximately 250 applications were eligible for non-refundable financial support. Progress has also been achieved in regard to the availability of childcare services, as well as care services for the elderly and infirm and people with disabilities. In 2020, 12 public kindergartens and 2 private kindergartens were opened, wherewith a capacity for at least 761 children was created. The

MLSP awarded grants to 19 municipalities for the establishment and development of home care services, personal assistance, etc.

Progress has also been made in **dealing with informal employment**. The ESRP includes 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 13.6% in 2020, which exceeds the set target of 16.5% by 2022.

**Improving the quality of work and services of the public employment service.** The ESRP sets out five indicators to measure progress in improving the quality of the operation and services of the ESARNM. Progress in this area is slower than planned, and it refers to several of the planned activities such as the introduction of a new model of services, the introduction of a new system for collecting and announcing vacancies, as well as designing a new business process, revisiting implementation procedures and reformulation of employment services. However, in 2020, the ESARNM has made progress in digitizing the services wherewith the services of the Agency are available anywhere and at any time. The portal will support implementation of e-services.

Throughout 2020 a total of 7 trainings were organized for 129 employees in the ESARNM, which is below the set target of min. 550 employees, i.e. each of the employees to be involved in training/seminar at least once a year. Due to the budget constraints in 2020, the Agency was not able to realize the planned modernization of the employment centres, so only the renovation of the employment centre in Kumanovo was started.

In 2020, 3,448 IEP-2 were developed (individual employment plans for hard-to-employ persons, i.e. for persons facing significant barriers to inclusion in the labour market), which is under the set target of 14,000. 115 (3.3%) of the persons with developed IEP-2 were involved in the active employment measure, as opposed to the target of 60%. The decline in the number of prepared IEP-2 plans is explained by the fact that the preparation of the IEP requires the presence of the unemployed person in the employment centre and longer counselling, which was hampered by the measures taken to prevent the spread of the virus.

**Strengthening social dialogue and promoting collective bargaining**. The ESRP includes five indicators for measuring the strengthening of social dialogue at the tripartite and bipartite levels, at national and local level, as well as the promotion of collective bargaining. The fulfilment of the set targets for 2022 is partial, especially in the part of trade union density rate (where compared to the value of indicators in 2018 there is some deterioration), while the number of collective agreements at the employer level and the rate of successfully resolved collective labour disputes through the mechanism for the amicable settlement of labour disputes is stagnant. On the other hand, progress has been made in the collective bargaining coverage rate at the branch level and the 2022 target has already been achieved. In addition, a functional mechanism for following the recommendations of the ESC and regular monitoring of the number of opinions/recommendations issued to the Government of the RNM has been established, whereby the Economic and Social Council has already been profiled as an important factor in the adoption of economic policies and labour market policies, especially during the crisis.

### 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 pathways for lifelong learning. Significant progress has been made in the first two specific Objectives, where 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 2019, and is well below the targeted value), as well as the employment rate of persons (20–34 years) who have recently completed secondary or higher education.

The progress in this strategic Objective is measured by the headline indicator Human Development Index. The value for the indicator in 2020 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 2020, progress was made in all three indicators, with the rate of people leaving school early, the set target for 2020 of 6.8% has already been exceeded (the dropout rate is 5.7% in 2020). The other two indicators have made significant progress and it is almost certain that the targets for 2022 will be met. Namely, the share of people aged 30-34 who have completed tertiary education increased to 39.7% in 2020 (from 35.7% in 2019) and is close to the target of 40%. The rate of students with special needs included in regular primary and secondary education increased to 67.1% (from 64.8% in 2018) so that the set target of 70% is achievable.

During 2020, partial progress was made in the inclusion of children from marginalized groups, primarily in primary and secondary education. In 2020, the number of scholarships awarded in secondary education to Roma high school students increased from 800 to 900. At the same time, the number of Roma students in special secondary schools decreased. Progress has also been made towards improving integration and interaction between students attending classes in a different language. In the academic year 2019/2020 and 2020/2021, educational and personal assistants for students with disabilities are engaged, included in the regular schools in cooperation with UNDP. The process of transformation of the special primary schools into primary schools with a resource centre has started. Reconstruction and construction/extension of new schools/facilities, as well as sports halls was made.

Implementation of the national qualifications framework - the basis for quality assurance in the education and training system. 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. Some progress has been made in increasing the number of sectoral qualification councils (the number has increased from 9 to 10 in 2020), but further progress is needed to achieve the target of 16 sectoral councils in 2020. In 2020, another additional Sectoral Council for Health and Social Protection was established.

Procedures and guidelines for quality assurance have been adopted in accordance with the recommendations of the European Qualifications Framework and they have been published on the website mrk.mk.

**Strengthening the employability of the workforce and build flexible pathways for lifelong learning.** ESRP 2022 sets out four indicators to monitor progress in achieving this Objective. Significant 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 is 62.1% in 2020 (target> 60%). The share in lifelong learning (2.6%) is still below the 2022 target of 4%. Some deterioration was observed in the employment rate of persons (20-34 years) who have recently graduated secondary or tertiary education, which decreased to 54.5% (from 57.2% in 2019) and is below the target of 55%. In 2020, three Regional Centres for Vocational Education and Training were established.

In order to provide greater harmonization of vocational education and training with the needs of the labour market, the four-year vocational education has been reformed.

The curricula are developed in collaboration with the business community and reflect the needs of the labour market.

With the Decision no. 08-4305/2 dated 13.4.2020, at the proposal of the VET, a Concept for workbased learning was adopted by the Minister of Education and Science, in order to increase the practical skills of the students.

#### 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; addressing the key challenges in the area of pension system sustainability; addressing the key challenges in the field of health system and health care of the population. Progress has been made on all of these Objectives, with more efforts being made to meet the targets set by 2022, especially in the area of improving the availability of

social services and promoting the social inclusion of Roma (especially in the area of housing/social apartments).

The headline indicator for this strategic Objective is the poverty rate. In 2019, the poverty rate decreased compared to 2018, but is still high, 21.6% in 2019. The target for this strategic Objective is to reduce the poverty rate to 16% in 2022. Poverty data for 2020 will not be available until December 2021, but it is expected that increasing the number and percentage of households covered by all types of social security benefits would help alleviate poverty and move closer to the 2022 target.

**Increasing 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 are 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 older persons over 65 years. A significant impact on poverty is observed among children and the older persons.

As part of the government's anti-crisis packages, changes to the Guaranteed Minimum Assistance (GMA) were made in 2020 to allow quick and easy entry into the system of those without jobs and income, and to protect living standards. From these changes until December 2020, the number of GMA beneficiaries has increased by 15% to 33,175 households compared to the number of beneficiaries before the introduction of the benefits. In 2020, the number of children beneficiaries of child allowance increased by 12% and the number of beneficiaries of educational allowance increased by 178% (mainly due to the extension of this right for children in primary education). Despite the significant increase in the number of beneficiaries (total 69,816 in 2020), the indicator lags behind the projected coverage of a total of 140 thousand beneficiaries (75,000 beneficiaries of child allowance and 65,000 of education allowance) in 2022. The relaxed conditions for GMA have a positive impact on revenues of the poorest segments of the population and led to the distribution of a proportionately larger share of funds in households with children. For example, over 40% of new GMA beneficiaries were households with children, mostly of Albanian and Roma ethnic origin.

In December 2020, 8,573 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.

**Improving the availability of social services**. The ESRP sets out three indicators to measure progress in the availability of social services. It can be concluded that there is progress in terms of the number of licensed service providers from 0 in 2018 to 20 in 2020. Given the ongoing activities for the development of services in 19 municipalities, it can be expected that the set target for 2022 will be achieved.

Some progress has been made in establishing local councils for social protection, but this trend is expected to accelerate in the coming period. No regional social protection councils were established.

Support and promotion of deinstitutionalization. The ESRP sets a total of three process indicators to measure the progress of deinstitutionalization. In two of them, which are interconnected (Number of persons accommodated in housing units with support or group homes and Number of persons accommodated in residential institutions for social protection) there is significant progress in 2019 compared to 2018, but in 2020 stagnate mainly due to the temporary cessation of the resettlement of users. There is solid progress in the number of users of social services (by type of services: home, community, extra-familial care.

By the end of 2020, as a result of the licensing of new service providers and the improvement of the availability of the services, there is an increase in the number of users of social services, especially the services in the home and extra-familial care. On the other hand, there is a decline in the number of users of services in the community, mainly due to the protocols that were introduced to prevent the spread of the pandemic. In 2020, there were 4,629 users of the services and thus exceeded the total target of 4,500 users.

**Promoting 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 has been made on both labour market indicators, some of the educational indicators

(Percentage of Roma students successfully completing primary education and the rate of Roma students transitioning from secondary to higher education) and the infant mortality rate of Roma. There are still no significant changes in the indicators in the field of Roma housing, as all initiatives are at an early stage of implementation.

In 2020, the number of Roma involved in active employment measures almost doubled and the target set for 2022 was exceeded. However, the number of Roma served with labour market services is declining due to the changed mode of operation of employment centres (a similar trend is noted in all unemployed jobseekers).

In 2020, there is a decline in the inclusion of Roma children (0-6) in preschool education: 347 children (compared to 729 in 2019), which is probably a result of the reduced capacity of kindergartens as a result of the pandemic Operating Protocol in Kindergarten.

In the field of social housing and living conditions in general, in 2020 one project of communal infrastructure was implemented in a settlement with predominantly Roma population, which is far below the target of 23 set for 2022. Construction of new social housing is underway, but social housing dwellings have not been allocated during the year.

**Dealing with key challenges in the sustainability of the pension system.** The ESRP includes two outcome indicators for measuring progress in the sustainability of the pension system, which show improvement in 2020. As a result of the reforms undertaken in 2019, the % of source revenues in relation to total expenditures of the Pension and Disability Insurance Fund of North Macedonia (PDIFNM) has been growing steadily since 2018. In 2020, source revenues represented 60.02% of the total expenditures of the PDIFNM. The target for 2022 is 65%. The average pension was 54.72% in relation to the average salary and increased slightly compared to 2019, but is still below the level of 2018 (59.5%) and the target of 60% set for 2022.

**Dealing with the key challenges in the field of the health system and health care of the population.** The infant mortality rate in 2019 dropped to 5.6 per mille and is below 7 per mille according to the set target for 2022. For 2020 the data will be published in June. In 2020, the integrated health information system "My term" was upgraded with 5 new modules and thus the target for 2022 was met.

### 2. ECONOMIC-SOCIAL CONTEXT AND CONDITIONS

The Covid-19 pandemic has hit North Macedonia during a period of steady but moderate real GDP growth since 2013. In 2019, growth accelerated to 3.6 percent compared to 2.7 percent in 2018. As in other countries, the health crisis along with the measures for protection of human health led to a decline in economic activity in North Macedonia. The initial response from the Government (and society) at the end of March was aimed at protecting the health of citizens and preventing the spread of the virus. This included taking rigorous measures such as closing land borders, closing airports, restricting public events, closing restaurants and cafes, closing schools and introducing curfews. Then, in May, the emphasis shifted to recovering and preserving the economic activity by softening the restrictive measures.

As a result of these measures, as well as the reduced global demand and interruptions in the international supply and transport chains, the GDP growth in 2020 was negative and amounted to 4.5 percent. The largest decline in GDP was realized in the second quarter of 2020, -12.7%. According to the so-called model of the current forecast (nowcasting) of the World Bank, in the first quarter of 2021, GDP decreased by 2.5%.<sup>i</sup>

Characteristic of North Macedonia is that during the outbreak of the health crisis, the political environment was very specific. Namely, on January 3, 2020, a technical government was formed consisting of ministers from the largest and opposition political parties in order to ensure fair and democratic parliamentary elections on April 12, 2020. The term of the previous Assembly ended on February 16, 2020, which means that the country was actually left without legislative power. The pandemic caused the postponement of the parliamentary elections until July 2020, therefore the economic and health measures were designed and adopted in a very difficult period. On March 18, the President of North Macedonia declared a state of emergency in order to prevent a delay in decision-making and measures (given the dysfunctional Assembly). With this, the technical government was given a mandate to pass decrees with legal force.<sup>ii</sup> In this way, a quick response to the situation was provided (even faster than the regular process of the regular parliamentary procedure).

During 2020, the Government of the Republic of North Macedonia adopted and implemented four anti-crisis packages containing 70 measures. The total value of the packages was 1 billion euros or 9.2 percent of GDP in 2020. The economic emergency packages covered the following areas: i) macroeconomic measures to support the economy and prevent a major downturn in economic activity (through fiscal and monetary policy), ii) support for companies to overcome financial difficulties and save jobs ( with a special focus on the sectors most affected by the pandemic), iii) expanding the social protection of the most vulnerable citizens to include informally employed workers, iv) stimulating domestic consumption and domestic products through one-time payments to poor citizens, v) preserving health and the safety of workers and the health of the entire population; and vi) enhancing company competitiveness and supporting investments. Anti-crisis measures have had an impact on both the expenditure and revenue side of GDP. Reduced revenues and increased expenditures (within two budget rebalances) led to a larger budget deficit in 2020 (-8.5% of GDP) compared to the originally planned (-2.3% of GDP).

The health and economic crisis has intensified the challenges facing the Macedonian economy. North Macedonia has many challenges in the labour market and education arising from the restructuring of the economy, but also inherited from the previous economic system. The education system does not yet produce a workforce that responds to the changing needs of companies. In addition, the country is facing significant emigration and an aging population, which further complicates the policy-making process.

Over the past decade, labour market trends in North Macedonia have been generally positive. In 2019, the number of jobs in the economy increased by almost 40,000 new jobs, wherewith the total employment rate for the working age population (20-64 years) reached 59.1%. This marked a profound change compared to the previous decade (2009–18), when the number of jobs increased by an average of 14,600 new jobs per year. Nevertheless, the employment rate and activity rate are still very low (and further declining in 2020), especially compared to EU countries. Low labour force

participation rates can be attributed mainly to the low activity rates of women, young people aged 15-24, and those over 50 years of age.

However, despite positive growth rates and improving labour market conditions, poverty and social exclusion have remained high. In 2019, the composite indicator for poverty or social exclusion grew to 41.6 percent compared to 40.8 percent in 2018. Social transfers and pensions reduced the poverty rate in 2019 to 21.6%, with poverty having a slightly greater impact on women than on men (22% vs. 21.1%).

In terms of educational indicators, North Macedonia has been improving continuously in several indicators (especially those for the young population) and has been getting closer and even surpassing EU countries. In 2020, the share of young people aged 30 to 34 with higher education in North Macedonia was 39.7% (compared to 17.1% in 2010), which is almost equal to young people from the EU (40 9%). Similarly, a higher percentage of young people (15-24) from North Macedonia have completed ISCED 3-8 (59.6% in 2020) compared to young people from the EU (52.8% in 2019). However, in the indicators that measure the transition from education to labour market (or employment), young Macedonians show poorer results (i.e. longer transition process).

Wage subsidies to protect and retain jobs were one of the measures with the highest fiscal cost and impact on the labour market. The government reacted very quickly to the new situation in order to retain jobs. This measure (with some changes) was part of the second, third and fourth package of measures. On average, nearly 120,000 workers used the measure each month.

Within the anti-crisis packages, three specific measures for protection of incomes of the most vulnerable categories were introduced: i) extension of social protection tools (guaranteed minimum assistance-GMA) for persons and households that do not qualify for the measures of retention of work or unemployment benefit, ii) processing of unemployment benefits with a short procedure for persons who lost their jobs during the pandemic and iii) one-time support for low-income workers, unemployed persons and students in the amount of 3,000 to 9,000 denars. On two occasions (April 2 and 24), the Government softened the criteria for exercising the right to GMA. Under normal circumstances, the household income examination period for qualifying for GMA is three months before the application is submitted; however, this period was reduced to one month and property ownership criteria were loosened. These changes led to an increase in the number of GMA users by 15% to 33,175 households (comparison December 2019 to December 2020) but less than expected.

In addition, a government decision allowed parents of children under the age of ten to stay at home to care for them (one of the working parents) and allowed extended paid leave for pregnancy, childbirth and parenthood. This created significant pressure on working mothers who had to balance work from home with childcare (including school activities) and the home chores. The government has advised companies to temporarily release pregnant women and the chronically ill from work and work activities.

It can be concluded that 2020 was a year of challenges, both in terms of preserving the health of citizens and from an economic aspect. The Government's responses to these challenges were timely and effective, leading to the preservation of jobs and the prevention of major economic downturns. However, the measures have led to significant growth in the budget deficit and debt, which will be a major challenge in 2021.

### 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 of the report. Annex 2 provides a summary of progress by indicators.

### LABOUR MARKET AND EMPLOYMENT

In terms of headline indicators for this strategic Objective, progress has been made in two of the four indicators, namely the female employment rate (although further progress is needed to reach the 2022 target) and the youth unemployment rate (target met).

Headline indicator	2018	2019	2020	2022
Employment rate (15+) (%)	45,1	47,3	47,2	48,5
Employment rate (15+) – MEN (%)	54,4	56,6	55,9	58,7
Employment rate (15+) – WOMEN (%)	35,8	38,1	38,4	39,0
Youth employment rate (15-29) (%)	30,9	34,4	33,5	34,5

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

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, key labour market indicators have improved. Exceptions are the overall employment rate (20-64), the male employment rate (20-64) and the NEET rate which in 2020 show some deterioration after a long period of decline. In 2020, youth unemployment rate (15-29) has already exceeded the set target. Both indicators for youth are less favourable for women than for men.

Indicator	2018	2019	2020	2022
Employment rate (20 – 64) (%)	56,1	59,2	59,1	59,8
Employment rate (20 - 64) – MEN (%)	66,6	69,7	68,9	70,4
Employment rate (20 - 64) – WOMEN (%)	45,2	48,4	49,0	48,9
Unemployment rate (15+) (%)	20,7	17,3	16,4	14,0
Youth unemployment rate (15-29) (%)	37,0	30,5	29,6	30,5
Long-term unemployment rate (%)	15,5	13,1	12,4	11,0
Rate of youth neither in employment nor in education or training (NEET, 15-29)	29,8	24,5	26,2	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	min.60.000 per year
Coverage of young persons (15-29) with programmes, employment measures and services,	38,8%	56,45% in active measures	66,8% in active	min. 30%

within the annual Operational plans		38,34 % in services	measures 35,5 % in services	
All young persons registered for the first time in ESARM, are being profiled early , i.e. during the first 6 months of their unemployment period	v	v	v	v
Number of youth involved (registered) in the Youth Guarantee	:	20.302	25.502	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 other active measure)	:	35%	35%	min. 30%
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	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 %	>60%

# **3.1.1.1.** Objective: Improvement of youth employment and promoting more and better jobs for young people

The Youth Guarantee (YG) was implemented during 2020 on the territory of the entire country and progress was made in all areas of intervention: early intervention; field activities; activation; and measures for labour market integration. Annual targets of all indicators in the ESRP related to the Youth Guarantee and youth participation in active employment measures were met.

**25,502 people (12,863 women) were enrolled** in the 'labour market integration' pillar, which should improve the access of the **Youth Guarantee** participants **to employment subsidies, opportunities for starting a business, improving the skills of young people, etc.**. Of these, 7,684 were employed over a period of 4 months, and 1,257 people were involved in some of the active employment measures that do not lead to direct employment, but increase their employability. Therefore, the success of the Youth Guarantee for 2020 is 35%.

Of the 7,684 people who were employed, 1,070 were employed through some of the active employment measures, 487 people were employed through the employment mediation service, and 135 became businesses owners or managers.

Out of 1,070 persons employed through active employment measures, most were employed through the Subsidized Employment measure (642 persons), the Self-employment program (207 persons) and the Financial Support for Job Creation measure (188 persons). Out of 1,257 unemployed persons who were involved in some of the active measures that do not lead to direct employment, the young people had the largest participation in the Internship Program (846 persons). The 2020 plan for these programs and measures has been exceeded, with the exception of youth participation in skills training. The coverage of young people (15-29) with programs, measures and employment services, in the frame of the annual Operational Plans reached 66.8% for active measures and 35.5% for services on the labour market.

Given the situation with the Covid-19 pandemic which had a direct negative impact on the labour market situation in the country, the effects of the implementation of the Youth Guarantee can be considered excellent because the high interest of young people in participation in this program constantly continues. Compared to 2019, when a total of 20,322 people were enrolled in the Youth Guarantee, this year's figure represents a significant increase of 5,200 young people or 25%.

Under the Covid-19 conditions, the Employment Agency continued to perform its functions, including the implementation of active programs and measures for employment and labour market services (job search assistance, counselling and guidance services, preparation of individual plans for employment, monitoring and sanctioning). The persons who were registered in the Youth Guarantee

were provided services offered by the ESA: 3,042 young persons were provided with one of the employment services. Thereby, career counselling was provided to 67 people, 1,204 people were profiled, and a total of 1,330 Individual employment plans were prepared (of which 15 IEP-2 for hard to employ people).

The "Activation" pillar of the YG refers to the services provided by the ESARNM which are planned to be improved through a structural and organizational reform of the ESA. In 2020, trainings were delievered for 32 employees in the ESARNM for youth guarantee. However, the Objective for new employments in the ESARNM has not been achieved. The renovation of one employment centre has been completed, and another will be completed soon. However, the plan to renovate the three centres has not been fulfilled. Progress in this area is slower than planned, and it refers to several of the planned activities such as the introduction of a new model of services, the introduction of a new system for collecting and announcing vacancies, as well as designing a new business process, revisiting implementation procedures and reformulation of employment services. During 2020, ESARNM made progress in digitizing the services that make the Agency's services available from anywhere and at any time. The platform will support the implementation of e-services.

With regards to the "Early Intervention", a draft Law on Vocational Education was prepared, which lays the foundations for the establishment of regional centres for vocational education and training. Preparations have begun for equipping high schools that would become regional centres. Progress has also been made in the area of methodologies for teacher training and criteria for accreditation of training programs. The new Law on Adult Education, which is in parliamentary procedure, provides a legal basis for the implementation of the Second Chance program, and progress has been made in establishing procedures for the validation of informal and non-formal learning (VINL).

With regards to the "Outreach", the key objective is to develop partnership approaches to address young people, upgrade the capacity of youth workers, a general monitoring framework and "online" preliminary registration in the YG, as well as the introduction of a youth card. In 2020, no progress has been made in these areas, which is partly related to the Covid-19 pandemic and protection of health (avoiding personal contact). Progress has been made in regard to the Erasmus + program, which enables the mobility of 163 young people with tertiary education. The legal solutions, guidelines, recommendations and measures adopted by the Government of the RNM for prevention and mitigation of the health and economic crisis, which at the same time regulate the manner and conditions of registration of the unemployed, have led to an increase in the number of persons registered in ESARNM and thus in a way compensated for lack of outreach activities.

In addition to YG, the implementation of several local initiatives, such as the local employment partnership in Bitola and the newly established Youth Resource Centre "I can" in Gostivar confirm that local approaches have the potential to create new businesses and new jobs, especially in times of an economic crisis.

## **3.1.1.2.** Objective: Reduce unemployment of the long-term unemployed and people from other vulnerable groups

Over the past year, the Operational Plan for active programs and measures for employment and labour market services for 2020 was implemented (including Youth Guarantee).

# 10,953 persons were involved in various labour market services and active employment programs and measures, and 57,087 in labour market services, which is above the set minimum/target in the ESRP of 60,000 (both for measures and services).

With the implementation of the Operational Plan for 2020, the following results have been achieved:

- 1,468 people were employed through self-employment support programs;
- 2,428 persons were employed through the programs for subsidized employment, employment and growth of legal entities;
- 189 persons were employed with the support programs for employment of persons with disabilities;
- 787 unemployed persons were involved in various training programs and measures;

- 1,544 unemployed were participated in the internship program;
- 613 unemployed persons participated in the community work program (Municipal Beneficial Work);
- 450 unemployed people were engaged in the public works program;
- 3,474 young people were supported through the youth allowance program.

According to the results, the realization of all active employment programs and measures for 2020 is more than 94.5%.

Regarding the employment services, in 2020 (on 31.12.2020) the following services were realized:

- 39,479 unemployed persons were provided with job search assistance,
- 380 unemployed people were involved in motivational trainings,
- 16 unemployed people were involved in trainings "Preparation for employment and work",
- 532 unemployed people were involved in vocational guidance and career counselling.

In parallel with the programs and measures of the Operational Plan, throughout the year the Project 'loans for self-employment' and the Project 'loans to legal entities for job creation' were implemented, as well as the packages of economic measures to support the economy. Given the Covid-19 situation and the job cuts caused by the pandemic, the employments supported by the Operational Plan were relevant to the real sector, as they enabled the creation of new jobs and the payment of contributions.

The 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 of 3.5% in active measures and 16.6% in services, has declined compared to 2019 and is below the 30% target.

More specifically, in 2020, a total of 154 GMA beneficiaries participated in the active employment programs and measures, and activation plans were developed for 981 people. These plans are prepared jointly by the Centre for Social Work and the Employment Centre for GMA beneficiaries, selected as the most easily employable in the household, and as such potential candidates for inclusion in the labour market.

It should be noted that in order to facilitate access to the GMA for persons without income after the outbreak of the pandemic, decrees with legal force and legal amendments were adopted, which waived the obligation for the users of the GMA to report regularly to the Employment Agency of the RNM as active job seekers. The loosening of liabilities probably affected the behaviour of GMA users and their willingness to seek and accept participation in an active employment measure or job offer. This is followed by the economic crisis and reduced economic activity of companies. The influx of clients on the one hand and the changed way of operation of the social work services and employment services shifted the focus to those who lost their minimum income and to those who lost their jobs.

Another factor that complicates the activation is the lack of real-time electronic exchange of data on GMA users between the social work centres and the employment centres, the establishment of which is still ongoing. The introduction of specialized services for counselling and mentoring of GMA users is also with difficulties, mainly due to the novelty of the service and the lack of competent service providers.

Activation of unemployed Roma took place according to the Acceder model and mentoring program for Roma. Within these services in 2020, a total of 4,200 persons were informed, and for 2014 persons, questionnaires were completed for profiling and evaluation of the professional capacities of the unemployed person for inclusion in the active measures. 216 people were involved in an active employment measure and 107 people were directly employed in the private sector.

Regarding the activation of persons with disabilities in 2020, 71.3% of the registered employments of persons with disabilities are in the open economy, compared to the employments in shelter

### companies, which is a slight deterioration compared to 2019, but in any case, exceeds the target of 60%.

The support for employment of persons with disabilities continued to be realized in accordance with the Law on Employment of Persons with Disabilities. During this period, employment contracts were concluded for 189 people, 20 people with disabilities became self-employed, 35 contracts for procurement of equipment and 2 for adaptation were concluded. Work-oriented rehabilitation and support for employment of persons with disabilities was piloted within the Centre for work-oriented rehabilitation of the association Izbor in Strumica and in the Public Institution "Institute for Rehabilitation of Children and Youth - Skopje" in Topansko Pole (supported by UNDP and the Swiss Development Agency).

For the activation of individuals in a vulnerable position, a matter of utmost importance is the adoption and implementation of the National Strategy for Development of Social Enterprises, which was prepared last year and which aims to develop a sustainable ecosystem that will be encouraging and enabling for social enterprises in the country.

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

In the implementation of employment programs 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 2020, 44.7% of the participants in active employment measures and 51% in labour market services, were women. Additionally, within the Competitiveness, Innovation and Entrepreneurship Program for 2020, 66 businesses were subsidized, 11 of which were subsidized through the sub-measure 1.4 Financial Support for Women Entrepreneurship. In Measure 115 - Support for an Active Female Member in the Agricultural Household, approximately 260 applications were eligible for non-refundable financial support.

With the onset of the crisis to prevent the spread of the disease, kindergartens and schools were closed and the measure of realising from work of one of the parents was introduced due to the care of a child up to 10 years old (or active 4th grade) for the duration of the crisis. In practice, this measure was used more by employed women. Another measure is the extension of paid maternity leave, which ends in the time of the crisis. The third package of measures for the first time encompassed economic measures with a special focus on women and refers to interest-free loans with grant component (30 percent grant) for micro and small companies run or founded by women (supported by IPA).

The newly adopted Law on Prevention and Protection against Discrimination prohibits discrimination on the basis of sex at work and in employment relations, while the Law on Prevention and Protection against Violence against Women and Domestic Violence should contribute to the prevention of gender-based violence against women and domestic violence, as well as an effective protection of victims of any form of gender-based violence.

The availability of services for childcare and care services for the elderly and persons with disabilities is important for reconciling work with family responsibilities. The government continued with investments in preschool institutions, so 12 public kindergartens and 2 private kindergartens were opened in 2020, which created a capacity for at least 761 children. The Ministry of Labour and Social Policy awarded grants to 19 municipalities for the establishment and development of home care services, personal assistance, etc.

There are findings that more women than men continued to work from home during the crisis. The pandemic situation (and decisions about online education) has again put women at a disadvantage in the labour market in terms of the difficulty of balancing work and care around children and the home. In that sense, the improvement of the flexible arrangements for parents provided for in the new Law on Labour Relations (in preparation) is important in terms of more equitable distribution of domestic responsibilities for child care, as well as to reduce discrimination against women in the labour market.

#### **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. Thereby, with the value of 13.6% in 2020, the target value for 2022 of 16.5% was surpassed.

Indicator	2018	2019	2020	2022
Share of informal employment in total employment (%)	18,6	16,1	13,6	16,5%

### 3.1.2.1. Objective: Reducing informal employment

A Strategy for formalization of the informal economy 2018-2022 with an Action Plan for the period from 2018 to 2020 continued to be implemented, and in 2020 a Report on the implementation and revision of the Action Plan was prepared.

The implementation of the project for "Improving working conditions" which has been implemented since November 2019 under IPA II has continued. Activities pertaining to identifying, measuring and addressing the informal economy and informal employment have been initiated. In the forthcoming period, the focus will be on the introduction of mechanisms for formalization of informal work in sectors with the highest incidence of undeclared work, which coincides with measure 12 of the Economic Reform Program.

Some progress has been made in regard to strengthening the capacity and effectiveness of inspection services in dealing with undeclared work, including improving compliance with European Union standards and the practical implementation of labour relations and occupational safety and health regulations. Thus, a total of 5 new employments of inspectors were realized (4 in the field of labour relations and one in safety and health at work), which increased the number of inspectors to 118 inspectors (80 in the field of labour relations and 38 in the field of safety and health at work), and 4 promotions of inspectors.

The activities within the process of improving the legal framework for occupational health at and safety at work (OSH) and preparation of a new law, which will improve the implementation of policies, standards and measures in this area, continued. A draft text of the Law has been prepared, which in the coming period will be subject to further consultations and harmonization, in order to obtain an improved, modern and effectively applicable legal framework regarding the health and safety of workers.

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

The ESRP sets a total of five indicators to measure the improvement of the quality of work and services of the public employment service. In 2020, no significant progress has been made towards achieving the set target values for 2022.

Indicator	2018	2019	2020	2022
Number of renovated/reconstructed regional employment centres with significantly improved work conditions	15	1	1	25
Number of employees in ESARM and number of staff involved in the activities for strengthening their capacities (trainings, workshops, seminars, etc.)	430	127	129	min. 550 each employee at least once a year involved in training/seminar
Number of unemployed persons with IEP-2	6.213	7.514	3.448 <sup>iii</sup>	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%) positive outcome	4.705 3.013 (64,04%) positive outcome	3.646 2.767 (75,9%) positive outcome	6.000 Most had a positive outcome

### 3.1.3.1. Objective: Further improvement of the capacities of the ESARNM

The Annual Employment Plan for 2020 planned 16 new employments, of which in the current year only one employment was realized for an indefinite period, while the other employments remained unrealized due to a number of reasons (election process, Covid-19 situation, harmonization of the act for systematization of jobs with the amendments to the Law on Employment and Insurance in Case of Unemployment, etc.).

The ESARNM takes care of the development, strengthening and improvement of human resources, i.e. their skills, knowledge and competencies, but during 2020 due to the situation with the Covid-19 virus in the country it became difficult to organize and conduct group trainings, seminars, consultations or workshops for employees. Thus, **throughout the year**, **a total of 7 trainings were organized for 129 employees** on the topic "Equal treatment and application of the Law on Employment and Insurance in Case of Unemployment and the Law on General Administrative Procedure", "Upgrading the capacity of employees for professional services for employer counselling and employment mediation" and "Youth Guarantee". The set target is min. 550, i.e. each of the employees to be involved in training/seminar at least once a year.

Due to the budget constraints in 2020, the Agency was not able to realize the planned modernization of the employment centres, so only the renovation of the employment centre in Kumanovo was started.

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

Due to the situation with Covid-19, certain types of services on the labour market were realized with a reduced volume.

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 39,479 persons of which 20,138 women and 14,296 young persons up to 29 years of age.

With regards to the services, employability profiling of 10,311 persons was made and 18,945 individual employment plans were prepared - IEP-1 (for persons who are directly employable or with moderate employment difficulties) and **3,448 IEP-2 (individual employment plans for hardly employable persons, i.e. persons facing significant obstacles for inclusion in the labour market). A total of 115 of the persons with developed IEP-2 were involved in an active employment measure. The decline in the number of prepared IEP-2 plans is explained by the fact that the preparation of the IEP requires the presence of the unemployed person in the employment centre and longer counselling, which was hampered by the measures taken to prevent the spread of the virus. In addition, some of the number of persons for whom IEP-2 will be prepared, i.e. IEP for hard to employ persons depends on the number of unemployed persons for whom on the basis of profiling it is determined that they belong to the category of hardly employable persons.** 

In 2020, the number of submitted requests for employment intermediation from employers was reduced due to the situation with Covid-19 because there were fewer requests for employment of new workers; in addition, the number of submitted requests for employment mediation to ESARNM is affected by the fact that some employers were provided adequate labour force through the use of

active employment measures (e.g. the measure of wage subsidies, etc.). During 2020, a total of 3,646 applications for employment intermediation were submitted, compared to the target of 6,000. A total of 14,646 people were involved in the intermediation and 2,767 people were employed.

### **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 overall 5 indicators for measuring the strengthening of social dialogue at the tripartite and bipartite level, at national and local level, and the promotion of collective bargaining. Thereby, the achievement of the target values for 2022, measured in 2018 is currently partial, especially in the area of trade union density (where a slight decline was recorded), while the coverage rate with collective bargaining at the employer level and the rate of successfully resolved collective labour disputes through the mechanism for amicable settlement of labour disputes is stagnant. On the other hand, there is good progress in the coverage rate with collective bargaining at the branch level and the target for 2022 was exceeded in 2020. Also, the mechanism for monitoring the recommendations of the Economic and Social Council and regular monitoring of the number of opinions/recommendations addressed to the RNM government is established and functional and the ESC is profiled as an important and visible factor in the adoption of economic policies and labour market policies, especially in times of crisis.

Indicator	2018	2019	2020	2022
Trade Union Density Rate (%)	21,16	19,83	17,29	>26
Collective bargaining coverage rate at branch, i.e. sector level (%)	32,68		38,46	37
Number of collective agreements at employer level	85	92	92	95-100
Rate of successfully resolved collective labour disputes using the mechanism for amicable settlement of labour disputes	60%	60%	60%	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 the RNM	7 opinion/recomm.	10 opinion/recomm.	2 opinion/recomm.	min. 3 opinion/recomm.

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

The Economic and Social Council functioned smoothly, holding a total of 11 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 to overcome the health and economic crisis caused by the Covid-19 pandemic. Most of the reviewed regulations and documents were adopted with a positive opinion and without remarks by the Economic and Social Council, and there were some that were adopted with conclusions with specific proposals that were adopted in the further government procedure. Regarding the creation of measures for overcoming the health-economic crisis as a consequence of the pandemic with Covid-19, the proposals presented at the sessions of the ESC dedicated to that topic have been taken into account. An ESC-sponsored campaign has been launched to raise awareness of employment rights, entitled "My Labour, My Rights", in line with the ESC Communication Strategy.

In order to develop the tripartite social dialogue at the local level, four Local Employment Pacts were signed in four municipalities, the implementation of which is coordinated by the Local Economic and Social Councils. The pact in one municipality is being piloted under the auspices of the ILO, where a start-up centre has been opened for training of persons in starting a business and training for occupations in demand, thus providing qualified staff at the local level.

In the reporting period, two branch collective agreements were concluded, for health and for public administration employees. The activities for drafting the new Law on Labour Relations resumed with

frequent dynamics, after the deferral which occurred in the early months of the pandemic. The subject of regulation, among other things, is the bipartite social dialogue, where in consultation with all stakeholders it strives to define a legal framework that will significantly improve and facilitate such social dialogue.

Within the project "Strengthening the social dialogue", in the past period activities have been realized for modernization of the services of social partners, in order to increase their membership, and thus to influence the trade union density rate.

### 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 2020 is not yet available. The Human Development Index in 2019 was 0.774 and is below the target of 0.780.

Headline indicator	2018	2019	2020	2022
Human Development Index	0,759	0,774	/	0,780

#### 3.2.1. ENSURING 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 2020, progress was made in the three indicators, whereby at the rate of people leaving school early, the set target for 2020 of 6.8% has already been exceeded (the dropout rate is 5.7% in 2020). The other two indicators have made significant progress and it is almost certain that the targets for 2022 will be met. Namely, the share of people aged 30-34 who have completed higher education increased to 39.7% in 2020 (from 35.7% in 2019) and is close to the target of 40%. The rate of students with special needs included in the regular primary and secondary education increased to 67.1% (from 64.8% in 2018) so that the set target of 70% is achievable.

Indicator	2018	2019	2020	2022
Rate of early school leavers (%)	7,1	7,1	5,7	6,8
Share of persons aged 30-34 who completed tertiary education (%)	33,3	35,7	39,7	40
Rate of students with special educational needs included in regular primary and secondary education (%)	64,8		67,1	70

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

During 2020, partial progress was made in the inclusion of children from marginalized groups, primarily in primary and secondary education. In order to improve the access to education of children who were not enrolled in education, in 2020, several acts were adopted that regulate this area in more detail and which overcome certain administrative barriers for greater inclusion. The Concept for Inclusive Education was adopted (which also applies to older students who are out of the education system), a Rulebook on the form and content of the application form for recognition of a certificate - for exemption of costs for beneficiaries of guaranteed minimum assistance, a

Program for providing tutoring of primary school students, Customized curricula that will enable inclusion in an appropriate grade of primary education for children who have not been included in teaching, but are over the age limit, etc.

In July 2020, the Memorandum for data exchange at national and local level for identification of school-age children was signed, which will be applied starting from the academic year 2021/2022.

In 2020, the number of scholarships awarded in secondary education to Roma high school students in five categories increased from 800 to 900. At the same time, the number of Roma students in special secondary schools decreased. A great challenge in achieving the Objectives was distance learning, due to the lack of appropriate conditions for its implementation (ICT, Internet, etc.), among some of the vulnerable categories of families.

In primary education, the number of mediators for Roma students and the number of municipalities where they are active has increased over the 2019 - 2020 period, from 30 to 35 mediators and from 23 to 26 municipalities. Two projects for inclusion of students from marginalized groups, primarily Roma students, continued with the implementation.

In the academic year 2019/2020 and the academic year 2020/2021, free textbooks were provided for all students in primary and secondary schools. As the majority of students in the academic year 2020/2021 studied online i.e. by distance learning, the need arose to publish electronic contents of textbooks on the e-textbook site as a tool to facilitate the learning process.

The measure for provision of free accommodation of students in dormitories, from cities where there are no high schools (gymnasiums and vocational schools), has been fully implemented. Thereby, as a response to the Covid-19 pandemic, special dormitory accommodation protocols were introduced, limiting the number of students that can be accommodated in a dormitory. Students in need of accommodation applied on a special internet platform www.digitalizirajse.mon.gov.mk

Progress has also been made towards improving integration and interaction between students attending classes in a different language. Within each school, a school integration team has been formed that plans and organizes activities that contribute to the respect of multiculturalism and the development of intercultural dialogue/interaction and the promotion of interethnic integration. Grants have been awarded for the implementation of activities that contribute to the development and promotion of multiculturalism, interethnic integration and tolerance in primary and secondary schools, in accordance with the Laws on Primary and Secondary Education in 2019 and 2020.

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

One of the specific Objectives of the ESRP is to provide conditions for increased inclusion of children with special needs in preschool education. However, due to the pandemic and the related Protocols for operation of the kindergartens in times of pandemic, the size of the educational groups of children aged from 2-6 years was reduced to 15 children and to 12 children in a group of children aged 0-2 years old, with priority given to children of single parents and children of two working parents.

In 2020, six bylaws were adopted in accordance with the Law on Primary Education, which refer to inclusive education. Inclusive teams have been established by the schools and individual educational plans are prepared for the students in need.

During 2019 and 2020, the newly formed National Professional Body worked intensively, in accordance with the new model of assessment of additional educational, health and social support to any child or youth, based on the International Classification of Functioning, Disability and Health - ICF. In the academic year 2019/2020 and 2020/2021, educational and personal assistants were engaged for students with disabilities attending regular schools in cooperation with UNDP. The process of transformation of the special primary schools into primary schools with a resource centre has started.

To increase inclusiveness in education, the MES is implementing two programmes with the EU Delegation. With the first one, 12 educational facilities, four primary, four secondary and four tertiary education facilities respectively, will be reconstructed and will be equipped with access

ramps and accessibility to the premises. Moreover, under the program "Be IN, be INClusive, be INCluded", 287 scholarships were awarded to children with disabilities in regular education, first and second graders, in order to support families and students with the necessary basic materials.

A Working Group has been established that is preparing a new Law on Secondary Education, which, among other things, will include provisions for increasing the coverage and inclusion of students with disabilities in secondary education (following the example of the Law on Primary Education).

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

One of the Objectives of the ESRP is to improve the learning environment, including learning contents, methods and techniques, in order to provide an individual approach to students. To that end, in 2020, a draft National Concept was prepared, which during November - December 2020 and January-February 2021 was subject to extensive consultation with all stakeholders.

Based on the Concept, the national standards for the achievements of the students at the end of the primary education have been set. Based on the key competencies for lifelong learning of the European Reference Framework, as well as based on the framework of the individual competencies developed by the European Commission (for foreign languages, digital competencies, entrepreneurship), as well as the national context, eight areas of national standards in primary education in our country were defined. They include transversal competencies and/or competencies related to certain subject areas.

During 2020, the reconstruction of 23 schools was completed, and six new schools/facilities are under construction. 12 school sports halls have been completed, and seven school sports halls are under construction.

Based on the new Law on Teachers and Professional Associates in Primary and Secondary Schools (adopted in August 2019), during 2020, all bylaws related to the professional and career development of teachers and professional associates were adopted. Professional development teams have been formed in all primary and secondary schools, in accordance with the Law on Teachers and Associates in Primary and Secondary Schools.

The e-system for career development has been developed and launched. At the 35th session held on 29.12.2020, the Government adopted a Decision on approving the Decision on determining the number of teachers in primary schools who can acquire the title of teacher-mentor, for the fiscal year 2021. In January 2021, a public call was announced to primary school teachers to apply for promotion to the level of teacher-mentor.

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

Progress in this area is measured by three indicators. Two of the set indicators have already been met. A functional Skills Observatory has been established, as well as a functional Register of Qualifications. Some progress has been made in increasing the number of sectoral qualification councils (the number has increased from 9 to 10 in 2020), but further progress is needed to achieve the target of 16 sectoral councils in 2020.

Indicator	2018	2019	2020	2022
Number of established Sectoral Qualifications Councils (for development and quality assurance of qualifications in specific sectors)	9	9	10	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	It is functional Provisions have been introduced in the Law	Established

		the new Law on Primary Education (from 2019) for processing personal data for the needs of the Skills Observatory, and it is necessary to introduce provisions in the Law on Secondary and the Law on Higher Education to be functional	needs of the Skills Observatory, and it is necessary to include provisions in the Law	
Functional Qualifications Register (overview and transparency of qualifications)	Established register	Established register	Functional register for qualification standard	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 2020, another additional Sectoral Councils for Health and Social Protection was established.

Procedures and guidelines for quality assurance have been adopted in accordance with the recommendations of the European Qualifications Framework and they have been published on the website mrk.mk.

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

The ESRP 2022 sets out four indicators to monitor progress in achieving this Objective. Significant 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 is 62.1% in 2020 (target> 60%). The share in lifelong learning (2.6%) is still below the 2022 target of 4%. Some deterioration was observed in the employment rate of persons (20-34 years) who have recently completed secondary or higher education, which decreased to 54.5% (from 57.2% in 2019) and is below the target of 55%. In 2020, three Regional Centres for Vocational Education and Training were established.

Indicator	2018	2019	2020	2022
Share of students in secondary schools in the VET system (%)	60,0	61,8	62,1	>60%
Share in lifelong learning (%)	2,4	2,8	2,6	>4.0%
Employment rate of persons (20–34) who recently graduated secondary or tertiary education (%)	49,1	57,2	54,5	55%
Number of Regional Vocational Education and Training Centres (RVETC)	None	The activities have started. Amendments have been made	Three At the 24 <sup>th</sup> session of the Government, held on 24.11.2020, Decisions	

to the Law on Vocational Education and Training and the three secondary vocational schools that will be transformed into RVETC have been selected.	Is s s, s,
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**3.2.3.1.** Development, modernization and improved attractiveness of vocational education and training

In order to ensure greater alignment of VET with the labour market needs, the four-year vocational education has been reformed. 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 2020/2021, the new curricula in the secondary vocational schools for the second year started to be applied. The curricula for the third and fourth year will be introduced successively in the next two school years.

The curricula are developed in collaboration with the business community and reflect the needs of the labour market.

The curricula for dual vocational education have been adopted, for the third year, for the schools in which dual vocational education is implemented. In the first quarter of 2021 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 have define the profiles to be introduced in the secondary vocational schools in the academic year 2021/2022.

The standards for space and equipment for the eight qualifications that will be trained for in the three regional centres, prepared by the Centre for Vocational Education and Training (VET), have been adopted. Decisions were adopted by the Government of the RNM transformed three secondary vocational schools into Regional Centres for Vocational Education and Training as of 1.1.2021.

With the Decision no. 08-4305/2 dated 13.4.2020, at the proposal of the VET Center, the Minister of Education and Science adopted a Concept for work-based learning, in order to increase the practical skills of students.

### 3.2.3.2. Development and promotion of non-formal education and adult education

During 2020, a new Law on Adult Education was drafted, which was adopted by the Government in January 2021 and it was submitted to the Parliament for its adoption. The law fully reforms the system of non-formal education of adults, and regulates the system of validation of knowledge, skills and competencies acquired through non-formal education.

### SOCIAL INCLUSION AND SOCIAL PROTECTION

The overall progress in the area of social inclusion and social protection is measured through the relative poverty rate, which in 2019 (according to published data in 2020) decreased by 0.3 percentage points.

Headline indicator	2018	2019	2020	2022
Poverty rate (%)	21,9%	21,6%	The data for 2020 will be published in December 2021	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 are 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 programs for protection of children and the elderly over 65 years. Only for children and the elderly, it had a significant impact on poverty.

Indicator	2018	2019	2020	2022
% of households covered by all types of social protection financial benefits	8	8,5	The data for 2020 will be published in June 2021	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.	75.000 c.a. 65.000 e.a.
Number of recipients of benefits under social security of the elderly	:	6.495	8.573	6.000

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

In response to the Covid-19 pandemic, in April 2020 the Government of the Republic of North Macedonia adopted a Decree with legal force amending the Decree with legal force for the application of the Law on Social Protection during a state of emergency, which over the period from April to December 2020 enabled access to the right to guaranteed minimum assistance for persons whose employment was terminated during the pandemic. Considering that the situation with the Covid-19 pandemic continued in 2021, in order to provide easier access to the realization of the right to guaranteed minimum assistance in emergency circumstances (established existence of a crisis situation, declared epidemic, i.e. pandemic, fires, floods or other major natural disasters), a Law was adopted to amend the Law on Social Protection. The bylaw was also amended in order to provide easier access in emergency circumstances to the right to guaranteed minimum assistance with regards to the property from which the beneficiary of the right to guaranteed minimum assistance can be supported.

Since the adoption of the decree up until December 2020, the number of GMA beneficiaries has increased by 15% to 33,175 households compared to the number of beneficiaries before the introduction of the benefits. Data from the Survey on Income and Living Conditions for 2020 are not available yet, but it is expected that the loosening of the criteria will lead to an increase in the % of households covered by all types of social protection benefits and approaching the target set for 2022.

The amendments to the Law on Child Protection enabled access to the rights to child allowance for children from low-income households/families and recipients of guaranteed minimum assistance as well. This law also regulates the right to education allowance, for children from primary and secondary education from low-income families and for children of beneficiaries of guaranteed minimum assistance. In 2020, the number of children beneficiaries of child allowance increased by 12% and the number of beneficiaries of educational allowance increased by 178% (mainly due to the expansion of this right for children in primary education), i.e. 43,649 children used child allowance and 26,167 children educational allowance. Despite the significant increase in the number of beneficiaries, it lags behind the projected coverage of 75,000 beneficiaries of child allowance and 65,000 of education allowance in 2022.

Following the outbreak of the pandemic, government measures to retain jobs, loosen the criteria for guaranteed minimum assistance and one-time financial support tended to distribute proportionately more funds in households with children. For example, over 40% of new GMA beneficiaries were households with children, mostly of Albanian and Roma ethnic origin. It is estimated that the eased conditions for GMA have had a positive impact on the incomes of the poorest segments of the population.

In December 2020, 8,573 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.

The reform of the social protection system from 2019 contributed to the improvement of the living conditions of children and the elderly. The child poverty rate (0-17) in 2019 compared to 2018 decreased from 29.3% to 27.8%, and poverty rates in all households with dependent children decreased, with the exception of single parents. However, total poverty did not decrease (21.6%) and over 448.1 thousand people lived below the relative poverty line. Namely, other government policies such as the increase in the minimum wage, wage subsidies and the growth of the economy moved the poverty line upwards, and thus the relative poverty rate remained at the same level.

Poverty among the unemployed, which is 41.7%, slightly decreased compared to 2018, while poverty among other inactive persons increased from 31.1% in 2018 to 32.9% in 2019. Therefore, the activation of users of the social protection system and their inclusion in the labour market is extremely important. Activation started in 2020, but at a slow pace, which is due, among other things, to the relaxation of the obligations for regular registration with the Employment Agency as active job seekers, as well as the economic crisis and reduced economic activity of enterprises.

### **3.3.2. IMPROVING THE AVAILABILITY OF SOCIAL SERVICES**

The ESRP sets a total of 3 indicators to measure the development of social services. Good results have been achieved in terms of the availability of social services measured by the number of licensed non-public service providers. There is slight progress in the established local councils for social protection, but that trend is expected to accelerate in the coming period. Not a single regional council for social protection has been established.

Headline indicator	2018	2019	2020	2022
Number of established local (municipal) social protection councils	0	9	11	81
Number of established regional social protection councils	:	0	0	8
Number of licensed service provided (by type of service; home based, community based, extra-familial care)	÷	12 (10-home services, 1- community services, 1-extra- familial care services)	20 (12-home services, 2- community services, 6- extra-familial care services)	30

### **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, the key step was made with the adoption of the Law on Social Protection in 2019. For the first time in the country, several new social services are provided, such as: personal assistance, help and care at home, respite care, intended for people with disabilities and the elderly. A system for licensing non-public social service providers and a system for public funding of non-public social service providers have been introduced.

In order to develop and provide social services from licensed and authorized providers (associations and private providers), a Commission for licensing of social service providers and the Commission for providing funds for social services from municipalities and other providers have been established.

Based on the opinion of the Commission for licensing of social service providers, as of December 2020, 20 licenses were issued for providing social services to associations and private entities.

According to the established system for granting funds to licensed social service providers in 2020, after the conducted procedure, funds were awarded for provision of social services, namely personal assistance, supported living and accommodation in an institution for treatment and rehabilitation of persons with addiction and other marginalized persons.

Within the Social Services Improvement Project, which is implemented by the Ministry of Labour and Social Policy with a loan from the World Bank, following the call and the selection of applications from 64 municipalities for development of social services at the local level, the Ministry of Labour and Social Affairs policy concluded agreements with 19 municipalities to award grants for the establishment and development of social services. Most of the newly created services are services for assistance and care of the elderly, day care for people with disabilities, service for rehabilitation and reintegration of people with disabilities, day care for the elderly, day care for children with disabilities, temporary residence for victims of domestic violence, personal assistance, counselling of families at social risk, day care of children at social risk). The total planned number of users (total capacity) of all newly created services is 995 people, where 95% of the users would be older people 65+.

It can be concluded that there was progress in terms of the number of licensed service providers from 0 in 2018 to 20 in 2020. Given the activities started for development of services in 19 municipalities, it can be expected that the set target for 2022 will be achieved.

**By the end of 2020, 9 out of 81 municipalities had established local councils for social protection.** With the support of the EU, ten social protection action plans focusing on social services were prepared and adopted in ten municipalities. At the same time, with the support of UNDP, efforts were made for strengthening the capacities for social protection at the local level. In the forthcoming period, it will be necessary to continue with the implementation of policies, measures and activities that will contribute to further strengthening the capacities of all relevant entities at the local level to create and implement effective local policies tailored to local needs and to provide quality and effective social services.

### **3.3.3. SUPPORT AND PROMOTION OF DEINSTITUTIONALIZATION**

The ESRP sets a total of three process indicators to measure the progress of deinstitutionalization. In two indicators, which are interconnected (Number of persons accommodated in housing units for supported living or group homes and Number of persons accommodated in social protection residential institutions) there was significant progress in 2019 compared to 2018, but in 2020 they stagnated mainly due to the temporary cessation of the resettlement of users. Solid progress has been achieved in the number of users of social services (by type of services: home, community, extra-familial care).

Indicator	2018	2019	2020	2022
Number of persons accommodated in housing units for supported living arrangements or in group homes	173	226	226	250

Number of users of social services (per service type: homebased, community-based, extra-familial care)	3.058	A total of 4620 (423-home services, 2042- community services, 2155 extra-familial care (* 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 extra-familial care (* 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	0

### **3.3.3.1.** Objective: Strengthening the deinstitutionalization process

The National Strategy for Deinstitutionalization 2018-2027, adopted by the Government in September 2018, contains the key priorities and guidelines for the transition from institutional care to community care. The strategy was intensively and successfully implemented by the beginning of 2020, i.e. the onset of the Covid-19 pandemic.

Since the beginning of the Covid-19 pandemic in March 2020, the efforts of the Ministry of Labour and Social Policy aimed at preventing the spread of the virus in residential institutions, small group homes and among social service users. Personal protective equipment and disinfectants were provided for all institutions and special operational protocols were developed, in cooperation with the Ministry of Health. Despite the timely measures taken, the first cases of Covid-19 infection among users were recorded in November 2020 in two (of the three remaining) residential institutions.

On the other hand, the operation of day care centres for children and persons with disabilities was stopped in March 2020, whereby the Government allowed one of the parents (if employed) of the beneficiaries to take care of their child at home, with the salary being paid at the expense of the state budget. In August 2020, the day centres resumed their operation, in accordance with the newly prepared protocol and with reduced capacity of 50%.

A part of the transformation of the services, in the final phase are the preparations for opening the first two centres for support of foster families at the former residential institutions for children in Skopje and Bitola, as well as a centre for respite care at the Special Institution Demir Kapija. The necessary reconstruction works have been completed in the three facilities, work programs and appropriate internal acts have been prepared, and the equipment and selection and training of futur

At the end of 2020, preparations began for continuation of the resettlement of beneficiaries with disabilities from the remaining residential social facilities for persons with disabilities, following special protocols appropriate to the pandemic conditions. Two units for supported living are being prepared for a total of eight users and their opening is expected in April 2021. By the middle of 2022, it is expected, that more than 100 beneficiaries from the Special Institution Demir Kapija to be resettled to supported living in cooperation with three EU-funded projects.

The situation with the Covid-19 pandemic significantly hindered the preparations, due to the difficult conditions for direct communication and coordination with the involved actors. Contacts with the institutions involved were reduced to online and telephone communication to reduce the possibility of the virus spreading among employees and users of the institutions.

Hence, the values of both indicators regarding the number of persons accommodated in residential institutions for social protection and the number of persons accommodated in residential units with supported living or group homes are unchanged in 2020. With the interventions planned in 2021 and 2022, the target in relation to the number of persons accommodated in residential units for supported living with support or group homes is expected to be fully realized.

By the end of 2020, as a result of the licensing of new service providers and the improvement of the availability of services, there is an increase in the number of users of social services, especially of home and extra-familial care services, while there is a decline in the number of users of community services, mainly because of the protocols that were introduced to prevent the spread of the pandemic. In 2020, there were 4,629 users of the services exceeding thus the total target of 4,500 users.

#### **3.3.4. IMPROVING THE SOCIAL INCLUSION OF THE 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 has been made concerning the labour market indicators, some of the educational indicators (Percentage of Roma students successfully completing primary education and the rate of transition of Roma students from secondary into tertiary education) and the infant mortality rate among Roma. There are still no significant changes in the Roma housing indicators, as all initiatives are in early stage of implementation.

Headline indicator	2018	2019	2020	2022
Participation of Roma in the labour market services and active employment programmes and measures	227 (in active programs and employment measures.) 8.071 (services)	251 in active measures 9.736 in services	<ul> <li>431 (in active programs and employment measures.)</li> <li>6.539 included in the employment services</li> <li>The Youth Guarantee includes</li> <li>1,530 young unemployed Roma</li> </ul>	325 (in active programs and employment measures.) 10.000 services
Share of Roma in the total number of registered unemployed at ESARNM (%)	8,52	9,1	9,2	8,7
Inclusion of Roma children (0- 6) in pre-school education	729	762	347 <sup>iv</sup>	1.000
Percent of Roma pupils who successfully complete primary education (%)	77	80%	The data is not yet available by the DDPELMC	83%
Number of Roma students enrolled in tertiary education	300	192	The data is not yet available by the DDPELMC	400
Rate of transition of Roma pupils from primary into secondary education (%)	87,0	77,4 %	The data is not yet available by the DDPELMC	92
Rate of transition of Roma pupils from secondary into tertiary education (%)	38,0	40,5%	The data is not yet available by the DDPELMC	45
Number of Roma families with access to social housing	118	0	0	150
Number of communal infrastructure projects implemented in settlements with prevalent Roma population	:		1	23
Rate of infant mortality among the Roma population (per 1,000 live births, per mille, ‰)	10,2	7,1	The data for 2020 will be published in June 2021	<7

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

Due to the situation caused by the Covid-19 pandemic, the activities of all actors were focused on providing humanitarian support and monitoring government measures. In cooperation with the municipalities, several donors and Roma NGOs, food and hygiene packages were distributed to the poorest Roma families.

In 2020, the number of Roma involved in active employment measures almost doubled and the target set for 2022 was exceeded. However, the number of Roma served with services on the labour market is declining, due to the changed working regime of the employment centres (a similar trend has been observed among all unemployed jobseekers).

The facilitated conditions for acquiring the right to guaranteed minimum assistance led to an increase in the number of beneficiary households by 15% compared to the period before the pandemic, with a significant proportion being of Roma ethnic origin.

In 2020, there was a decline in the inclusion of Roma children (0-6) in preschool education: 347 children (compared to 729 in 2019), which is probably due to the reduced capacity of kindergartens as a result of the implementation of the Kindergarten Protocol in conditions of a pandemic.

Data on most indicators in the field of education are not yet available. In order to improve access to education for children who were not included in education, during 2020, a number of acts for inclusive education were adopted. It should be noted that in 2020 the number of scholarships awarded in secondary education to Roma high school students in five categories increased from 800 to 900. At the same time, the number of Roma students in special secondary schools has decreased.

In the field of social housing and living conditions in general, in 2020 a project of communal infrastructure was implemented in settlement with predominantly Roma population, which is far below the target of 23 set for 2022. Construction of new social housing is underway, but housing dwellings have not been allocated. The two projects financed through the Instrument for Pre-Accession Assistance in the municipalities of Vinica, Shuto Orizari and Veles have progressed with a slow pace, and they include change of urban plans, legalization of houses for Roma families, rehabilitation of houses, renovation of departments within a health institution, on-the-job training of young Roma, solid waste management, etc.

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

The ESRP sets two outcome indicators to measure the coping with key challenges in the part of the pension system sustainability, which show progress in 2020.

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

The pension system is stable and sustainable, which implies regular and timely payment of pensions, as well as care for current retirees, but also for all those who have paid a pension contribution throughout their working life, to be able to live decently in retirement days.

As a result of the reforms undertaken in 2019, the % of source income compared to total expenditures of PDIFNM is constantly growing since 2018. In 2020, source income was 60.02% compared to the total expenditures of the PDIFNM Fund. The target for 2022 is 65%.

In 2020, the implementation of the project for improving the quality of services started, and it includes the design and establishment of the Single Unified Registry System (SURS) and the consolidation of PDIF data related to the contributions of insured persons.

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

### The average pension was 54.72% in the average salary and increased slightly compared to 2019, but is still below the level of 2018 (59.5%) and the target of 60% set for 2022.

The Government of the Republic of North Macedonia adopted a Decision on additional adjustment of pensions for 2020 calculated from January 1, 2020 in the amount of 5% of the total amount for payment of pensions for January 2020, i.e. calculated for the period from July 1, 2020 pensions were harmonized by 0.6%.

In order to protect the pensioners from the Covid-19 from the beginning of the pandemic, i.e. from April 2020, the pension benefits have been paid in advance.

### 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	2022
Rate of infant mortality (per mille, ‰)	9,2	5,6	The data will be published in June 2021	<7,0
Number of newly constructed and reconstructed public health facilities	1 new 3 reconstructed.	7	O <sup>v</sup>	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	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 2019 fell to 5.6 per mille and is below 7 per mille according to the set target for 2022. For 2020, the data will be published in June.

Having in mind the crisis of the health system that arose from dealing with Covid-19, part of the projects for construction and reconstruction of PHI have undergone a change in dynamics, i.e. the time frame for full implementation has been extended. Regarding the new situation, the Ministry of Health conducted a series of activities to increase and improve the conditions for treatment of infectious patients and set up a modular assembly hospital with a triage centre within the PHI University Clinic for Infectious and Febrile Conditions as well as a prefabricated modular facility for the needs of outpatient activities for PHI University Clinic of Pulmonology. In 2020, the installation of 16 prefabricated modular centres for treatment of Covid-19 began throughout the country, which increased the total capacity of hospital beds and the availability of health services to citizens. Construction of a new polyclinic in Saraj has started and the reconstruction of public spaces and toilets in the building of the clinics for internal diseases and surgery has been performed.

# Regarding the upgrade with new modules of the integrated health information system "My appointment", in 2020 an upgrade was performed with five new modules and thus the target for 2022 has been met.

In order to improve the system for prevention and control of infectious diseases, a Centre for Epidemiological Monitoring and Health Crisis Management was established for 24/7 monitoring of the condition with Covid-19, and all available data are analysed and shared with reference institutions (WHO, European Centre for Disease Prevention and Control) according to established

procedures. The development of an operating system for electronic reporting of infectious diseases, as well as an ALERT system for syndromic real-time reporting is in the final stage.

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

Opportunities were provided to improve expertise and competencies by awarding specializations/sub specializations to employees in public health facilities.

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4. COMMUNICATION

To implement policies and programs 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 (to a limited extent and with a smaller audience in order to comply with the protocols to prevent the spread of Covid-19), interviews and media appearances, etc.

Communication activities took place throughout the year, in parallel for all key topics. The main communication channels in 2020 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 used was personal and focused addressing, concretized content, simple and easy-to-read visual and audio solutions, practical advice and guidance, technically unencumbered by administrative terminology. The communication activities include both line ministries and other competent institutions, relevant international organizations, users, etc.

Due to restrictions imposed to prevent the spread of the virus, social media and online media have become the dominant channels for promoting policies and programs of the wider community.

In 2020, several campaigns continued to bring the initiated reforms closer to the citizens, the business community and the civil society sector:

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It is an integrated promotional campaign which includes products that convey the experience of real users of employment

measures. The promotional activities were realized depending on the dynamics and availability, as well as filling in the scope of employment programs and measures. At the end of the year, a short-term campaign was launched to promote successful results, generally posted on social media.

During 2020, the joint campaign "Deal with a professional!" Continued to promote professional occupations and vocational education realized by several partners who implement activities focused on the same topic. The coordination body composed of representatives of

various entities worked towards the creation and implementation of additional communication channels and products for more successful targeting of students, but also to business entities that should provide

appropriate preconditions for attracting qualified professional staff. The information is published on <a href="https://zanimanja.mk/">https://zanimanja.mk/</a> and <a href="https://zani

### LEARN SMART, WORK PROFESSIONALLY

Under the slogan "Learn smart, work professionally" a series of meetings were organized with companies to open 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 worked on determining which profiles will be introduced in the secondary vocational schools in the academic year 2021/2022.

Multiannual campaign to inform the public about the reforms in the field of social and child protection.

The information refers to investments in the development and improvement of social services, as well as early childhood development and education. The information is published on: <u>https://www.ssip.mk/ and</u>

https://www.facebook.com/Se.Grizhime









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It should be noted that in 2020, it was especially important to inform citizens and all other entities in a timely manner about the recommendations, protocols and measures adopted by the

Government for the protection and prevention of Covid-19 disease, as well as measures to mitigate the consequences of the virus. The website https://koronavirus.gov.mk/ is maintained by the Public Relations Department of the Government of the Republic of North Macedonia. In addition, the ministries published information and announcements related to the coronavirus for work within their competences, especially regarding the work and study protocols, for the manner of exercising the rights from social protection, etc.



Finally, it is interesting to mention the campaign implemented under the auspices of the Economic and Social Council with the support of the ILO and the EU in order to strengthen workers' rights, which is significant in the face of huge changes in the world of work after the pandemic.

#### MY LABOUR, MY RIGHTS

A campaign is being conducted to raise awareness regarding employment rights. Workers, employers and other interested citizens refer to the website <u>https://mojtrudmoiprava.mk/</u>, to be informed about everything related to workers' rights.


# 5. CONCLUSIONS AND FUTURE STEPS

This section presents the key activities that are planned or should be undertaken in 2021 in the three priority areas in order to achieve the set Objectives and target values of the indicators for 2022.

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 program. Some of the activities are implemented according to annual operational plans, so the assessment of the degree of realization 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 2020, 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 is started and ongoing, the general assessment is that they are partially implemented in the coming period, steps should be taken until full implementation.

It is estimated that 37 measures are fully implemented, 37 measures are partially implemented and the implementation of 4 activities has not started yet.

A total of 236.7 million euros were spent for the implementation of the measures, but these funds are underestimated because they do not cover, for example, the administrative costs of the institutions responsible for providing the services. Also, the funds for the economic measures for dealing with the pandemic are not reflected.

In 2021, the implementation of activities in all priority areas continues, as stated below.

#### Priority area 1: Labour market and employment

• The Youth Guarantee continues to be implemented in 2021 with a coverage of at least 10,000 young people, of which, within a period of 4 months, at least 30% will be employed, continue the education or will take-up active employment programs and measures. It is necessary to strengthen the outreach activities in order to activate the inactive young people, the implementation of which will certainly depend on the conditions and measures to prevent the spread of the pandemic due to the need for direct contacts of youth workers with young people.

The Employment Service Agency is the main implementing institution of the Youth Guarantee and the increase of its personnel, information, physical and financial resources is necessary for the successful implementation of the program. It is expected that the ESARNM will be able to implement the Employment Plan for 2021, to digitize part of its processes and to realize the planned improvements in working conditions and services in some of the employment centres.

With regards to the "Early Intervention", the efforts will continue with continuous promotion and improvement of vocational schools, organizing advisory meetings with the local community and the business sector, harmonization of the enrolment policy in secondary vocational schools according to the needs of the labour market. Furthermore, after the adoption of the Law on Adult Education, all bylaws will be adopted which regulate the mechanisms for validation of nonformal education and informal learning (accreditation of providers of validation services, creation of a register). The amendments to the Law on Higher Education would enable the start of the use of the information system "Skills Observatory" in order to monitor the outcomes of the educational processes and to harmonize the education with the labour market.

- Investments in active measures, their continuation and increase are important, especially for dealing with the challenges of the economic and health crisis. The Operational plan for active employment programs and measures and labour market services for 2021 will support 11,889 unemployed persons, for which the budget of the ESARNM and the MLSP has been earmarked in the amount of approximately 21.9 million euros, while the total budget from all sources is about 24.7 million euros. Job creation programs and on-the-job trainings are particularly important.
- A challenge for 2021 is the consistent implementation of policies for activation of socially disadvantaged persons (beneficiaries of Guaranteed Minimum Assistance, Roma, etc.), which were implemented at a slower pace last year. The electronic real-time exchange of data on

GMA users should be operational between social work centres and employment centres and facilitate cooperation in the preparation of individual activation plans. It is expected that during the year, the provision of the Counselling and motivation service (mentoring, psychosocial support) will start to facilitate the involvement of GMA users in the active measures.

- Regarding the employment of persons with disabilities, the piloting of work-oriented rehabilitation continues. The focus will be on job-oriented training for people with disabilities and employment support. The elaboration of a new concept for employment of persons with disabilities will begin, which will establish a new system of vocational rehabilitation tailored to the real needs of persons with disabilities.
- In 2021, the National Strategy for Development of Social Enterprises in the Republic of North Macedonia will be adopted. The preparation of a legal framework will begin and a national centre for support of social enterprises will be established, among all to create jobs and integrate the most vulnerable categories 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 Strategy for Gender Equality 2021-2026 which is planned to be adopted in 2021. Measures for activation of women and reduced gender inequality will continue in the labour market. A new Law on Gender Equality will be adopted in order to establish an efficient system of gender equality.

For the purpose of **harmonization of professional and private life**, the adoption of a new Law on Labour Relations is especially important, which will introduce paternity leave, the possibility to use parental leave for fathers, paid leave from work to provide care and the right to work with flexible arrangements due to child care and nursing. The Ministry of Labour and Social Policy will continue investing in creation of capacities to cover a larger number of children in preschool education, as well as with the further development of services for the care of the elderly and infirm.

- Dealing with informal employment in the country is another priority for efficient and long-term improvement of the labour market situation. In 2021, a voucher model will be developed in the service sector, focusing on personal services and household services, a campaign on the undeclared work will be conducted and the model for data exchange and calculation of the indicators for monitoring the Strategy on informal economy will be adopted. The adoption of the new Law on Labour Relations will improve the way of regulation of seasonal and other forms of flexible employment. The strengthening of the capacities of the State Labour Inspectorate continues.
- In terms of improving the quality of work and services of the public employment service, the priority is to strengthen human resources and rearrange the work of the Employment Service Agency, given the increased influx of clients and other challenges imposed by the pandemic. The Agency is expected to employ 35 people in the employment centres, including in its department for active measures and in the youth employment unit. In accordance with the envisaged funds, it is planned to reconstruct a larger employment centre in the Polog region. Certain services to clients will be digitized, and it is important that the data exchange between employment centres and social work centres becomes operational for activating clients from socially vulnerable groups.
- Social dialogue is expected to continue to play a key role in shaping economic, social and labour market policies for the period after 2021. The Economic and Social Council will review the state of collective bargaining in the country. Further support will be provided to trade unions and employers' associations for the introduction of new services, improved visibility and adaptation to the new reality. The implementation of the local employment pact in Bitola continues and sharing this experience with other local economic and social councils.

#### **Priority Area 2: Human Capital and Skills**

To encourage the inclusion of children from marginalized groups in primary education, continuous support is envisaged, including an increase in the number of Roma educational mediators in primary education. With regards to the secondary education, the mentoring/tutoring support to Roma high school students receiving scholarships has been

reintroduced, accompanied with further increase of the number of scholarships for Roma high school students.

- In order to modernize the teaching and follow the world trends, a new concept for primary education was developed, which will result in the adoption of a new Law on textbooks and other teaching and didactic materials.
- In the future, trainings of the teaching staff from the primary schools for inclusive education are planned, as well as specialized trainings for the staff that will work in the primary schools with resource centres. At the same time, there will be investments in improvement of the capacities (material and human) in the primary schools, primary schools with resource centres, learning support centres in order to improve the quality of inclusive education.
- The inclusion of students with disabilities in secondary education will be enhanced by the adoption of a new Law on Secondary Education and the opening of resource centres, while to improve accessibility and availability in tertiary education for students with disabilities, a decree is envisaged in accordance with the Law on Higher Education and Implementation of the accessibility project in four higher education institutions.
- In order to improve the learning opportunities for adults with disabilities, verification of a number of non-formal education programs for adults with disabilities is expected and full training 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 full successive implementation of the new Concept for primary education, based on which new curricula will be developed and trainings for teachers will be conducted.
- In order to strengthen the capacities of human resources in education, the preparation of a Catalogue of accredited programs for training of the educational staff has been planned, as well as implementation of the system for career development of the professional associates in primary education and for the teachers and professional associates in secondary education. The Investment Programs for 2021 envisage construction/extension of 12 school buildings and reconstruction of 20 schools.
- Regarding the implementation of the National Qualifications Framework for Lifelong Learning, further active participation of the National Board of the Macedonian Qualifications Framework is expected in the creation of qualification policies. It is necessary to establish the remaining sectoral qualification councils. It is also planned to work on a communication strategy and policies for communication of the framework and review of qualifications.
- In terms of strengthening the employability of the workforce and building flexible pathways for lifelong learning, the plan is to continuously promote and improve vocational schools, organize advisory meetings with the local community and business sector, in order to harmonize the enrolment policy in secondary vocational schools with the needs of the labour market. The new Law on Vocational Education and Training will regulate the system of post-secondary education. It will incorporate provisions from the Concept of learning through work and will develop a new formula on the manner to finance vocational education (taking into account work-based learning). The three regional centres for vocational education and training will be renovated and their capacities will be strengthened. After the adoption of the Law on Adult Education, all bylaws will be adopted, which systemically regulate the mechanisms for validation of non-formal education and informal learning.

#### Priority area 3: Social inclusion and social protection

The application of the laws in the field of social and child protection in terms of adequacy and the scope of the programs continues. Development of integrated software for social benefits and social services will begin. Regarding the availability of social services, financial and technical support for the development of new social services will be provided, as well as licensing of the newly established services. Activities will be intensified to strengthen the monitoring system and quality of social services and to improve the capacity of current and potential social service providers, including municipalities.

- The implementation of the National Strategy for Deinstitutionalization continues with the preparation for resettlement of 100 beneficiaries from the Special Institute in Demir Kapija to live with support, transformation of the existing institutions (opening of the support centres for foster families in Skopje and Bitola, opening of the centre for respite care in Demir Kapija, opening a day care centre for children and youth with an intellectual disability aged 14 to 26 at the Institute for Rehabilitation of Children and Youth Skopje Topansko Pole).
- The activities of the ESARNM aimed at increasing employment opportunities for Roma continue with the implementation of the OP for active employment programs and measures and the labour market services 2021. The activation of unemployed Roma and other persons at risk of social exclusion continues in accordance with the Acceder model and mentoring program for Roma. The impact of social benefits upon activation in the labour market of Roma and other GMA recipients will be studied.
- Roma education mediators in primary education continue to deliver the services, and their number is increasing in order to extend the coverage of Roma children in primary education, to reduce the number of students leaving school, to reduce the number of Roma students enrolled in schools for children with special needs, strengthening the connection of the Roma community and parents with the school, through the fight against social exclusion (desegregation and discrimination) and respect for differences and by promoting intercultural education. The mentoring/tutoring support of Roma high school students receiving scholarships is being re-introduced in secondary education and the number of scholarships for Roma high school students has been increasing over the years.
- Interventions will be made in the Law on Housing in terms of improving access to social housing. The houses of about 6800 Roma households in Prilep, Bitola, Stip and Berovo will be legalized, 80 new houses will be built in Stip and Kicevo, and at the same time 65 houses in Prilep and Berovo will be reconstructed (with the support of IPA).
- Appropriate measures will be continuously taken to ensure the social security of pensioners. In 2021 the focus will be on the development of a Unique Unified Registration System and the preparation of the necessary legal changes. At the same time, preparations are being made for the establishment of a centralized system for expert assessment of the disability, i.e. the ability to work and a Central Disability Certification Coordination Unit.
- Full implementation of the started projects (Clinical Hospital Stip, General Hospital Strumica, University Clinique St. Naum Ohridski, Special Hospital St. Erasmo), imlementation of the second phase of the construction of the General Hospital in Kicevo, reconstruction of several facilities for outpatient care of the Health Home Skopje as well as intensification of the activities for construction of a new clinical centre at a location in Gjorche Petrov.
- Integration of the IT systems of the Ministry of Health and the Health Insurance Fund, for setting standards and preliminary design for the Single Register of Patients for all health institutions.
- Regarding the improvement of the system for prevention and control of infectious diseases, it is necessary to improve the data management of Covid-19 in cooperation with the Electronic Health Administration with regards to the integrated health information system "My Appointment". Also, the electronic reporting of infectious diseases and ALERT system will be legally regulated, the electronic system will be finalized in cooperation with "My Appointment" and the education of the health workers for its proper use will be made, so that the system will become fully functional.

## ANNEX 1 - MONITORING THE ERSP MATRIX OF OBJECTIVES AND MEASURES

### LABOUR MARKET AND EMPLOYMENT

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

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

Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Support to labour market integration of young people - support to employment, continued education and training, and traineeship (YG – labour market integration)	ESARNM MLSP, AEC and other local institutions, service providers, employers		implemented in 2021. <b>Progress made:</b> In 2020 (01.0131.12.2020) 25,502 unemployed young people (12,863 women) were included in the Youth Guarantee. Of these, 7,684 were employed in a period of 4 months, and 1,257 people were involved in some of the active employment measures that do not lead to direct employment, but increase their employability. Therefore, the success of the Youth Guarantee so far is 35%. Of the 7,684 people employed, 1,070 were employed through some of the active employment measures, 487 were employed through the employment intermediation service, and 135 became	economic crisis caused by the pandemic, but also due to the fact that the economic measures adopted by the Government to deal with the crisis targeted the unemployed registered in the Employment Service Agency. All recommendations and measures adopted by the Government of the RNM, such as the Decree with legal force for application of the Law on Employment and Insurance in case of unemployment during the state of emergency, the Decree on issuing payment cards for purchasing Macedonian products, the measure Payment card for citizens for higher consumption, which included other jobseekers registered with the Employment	

	Out of 1,070 people who were employed through active employment measures, most were employed through participation in the measure Subsidized employment (642 people), the Self-employment program (207 people) and the measure Financial support for job creation (188 people). Out of 1,257 unemployed persons who were involved in some of the active measures that do not lead to direct employment, the young people had the largest participation in the Internship Program (846 people).	<ul> <li>* There is a lack of second chance programs through which the low-skilled could gain the skills and qualifications needed for their integration into the labour market. The new Law on Adult Education, which is in parliamentary procedure, provides a legal basis for the implementation of the Second Chance program.</li> <li>Future steps: <ul> <li>* The activity continues to be implemented in 2021. The planned annual coverage of participants in the Youth Guarantee on the entire territory of the Republic of North Macedonia is about 10,000 young people. The program will be considered successful if at least 30% of the persons involved in YG, successfully leave it in a period of 4 months, i.e. will be employed, continued the education or will be involved in active programs and employment measures. For that purpose, coordinated and joint action of several government institutions is needed, primarily of the MLSP, ESARNM and MES, social partners and civil society organizations.</li> </ul> </li> </ul>
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b/ Promotion and extension of the scope	ESARNM	2022	Status: Partially implemented	Problems:		
of services delivered by the Employment Service Agency to unemployed youth (YG – activation);	MLSP		<ul> <li>Realized progress:</li> <li>In terms of Covid-19, the Employment Service Agency continued to perform its functions, including the implementation of employment active programs and measures and labour market services (job search assistance, counselling and guidance services, preparation of individual plans for employment, monitoring and sanctioning). The persons who were enrolled in the Youth Guarantee were provided the services offered by the ESA: 3,042 persons were offered one of the employment services. Career counselling was delivered to 67 people, 1,204 people were profiled, and a total of 1,330 Individual employment plans were prepared (of which 15 IEP-2 for hardly employable people).</li> <li>ESARNM continuously takes care of the development, strengthening and PROMOTION of human resources, i.e. their skills, knowledge and competencies, but during 2020 due to the situation with the Covid-19 virus it became difficult to organize</li> </ul>	Employment in public sector institutions is based on annual plans which are submitted for opinion to the Ministry of Finance and the Ministry of Information Society and Administration no later than September 1 of the current year. ESARNM has timely submitted the Annual Recruitment Plan for 2020 No. 04-2923/1 dated 20.08.2019, regarding which a positive opinion was received from both the Ministry of Finance and the Ministry of Information Society and Administration. The Annual Recruitment Plan for 2020 planned 16 new employments, of which in 2020 only one recruitment for an indefinite period was realized, while the other employments remained unrealized due to a number of objective reasons (election process, Covid-19 situation, harmonization of the act for systematization of jobs with the amendments to the Law on Employment and Insurance in Case of Unemployment, etc.)		
		and conduct group trainings, seminars, consultations or workshops for employees. Thus, during 2020, a total of 7 trainings were organized for 129 employees on the topic "Equal treatment and application of the Law on Employment and insurance in Case of Unemployment and the Law on General Administrative Procedure", "Upgrading the capacity of employees in delivery of professional services of employer counselling and employment intermediation "and" Youth Guarantee "	Future steps: * In 2021, the modernization of the employment centre in Kumanovo will be completed, and it is planned to renovate a larger employment centre in accordance with the available budget. * Pursuant to Article 20-a and 20-b of the Law on Public Employees, ESARNM has submitted the Annual Recruitment Plan for 2021 No. 04-2323/1 dated 13.08.2020, regarding which a positive opinion has been received from Ministry of Finance and the Ministry of Information Society and Administration.			

c/ Promotion and reforms of the	MoES	2022	Status: Fully implemented	Problems:	2.341.710€
reforms of the education system, with	MLSP, BDE,VETC,		The activities envisaged for 2020 have been fully implemented	Weak interest in enrolling students in secondary	
special emphasis on the	AEC,SEI		Realizes progress:	vocational education, with the exception of health profession, economic-legal and trade profession as	
quality and contents of vocational education and training and its			* Four years of vocational education have been reformed. New modularly designed curricula have been formally adopted for all new qualifications/educational profiles in secondary vocational	well as electro-technical, as well as inconsistency between the enrolment policy and the needs of the labour market.	
relevance in preparing			education based on learning outcomes, expressed with EQVET	Future steps:	
young people for smooth transition to			credits and points for general and vocational subjects from first to		
and integration in the labour market (YG - early intervention)			fourth year, which started to be implemented from the academic year 2019-2020 (first year). In the academic year 2020/2021, the new curricula for the second year in the secondary vocational schools started to be applied. The third and fourth year curricula	vocational schools, organization of advisory meetings with the local community and the business sector, in order to harmonize the enrolment policy	
,			will be introduced successively in the next two school years.	in secondary vocational schools with the needs of	
		<ul> <li>* The curricula for dual vocational education for the third year have been adopted, for the schools where dual vocational education is implemented.</li> <li>* The standards for space and equipment for the eight qualifications that will be trained in the three regional centres, prepared by the VET, have been adopted. Decisions were made by the Government of the RNM by which three secondary vocational schools were transformed and continue to operate as Regional Centres for Vocational Education and Training from 1.1.2021.</li> </ul>	have been adopted, for the schools where dual vocational	the labour market.	
			* With Decision no. 08-4305/2 from 13.4.2020, at the proposal of the VET, a Concept for work based learning was adopted, by the Minister of Education and Science in order to increase the practical skills of students.		
			* In order to better acquaint students who complete primary education with the types of available professions and educationa profiles when choosing a high school where they will continue the education, the Centre for Vocational Education and Training with the support of the project E4E - Education for employment in North Macedonia, prepared a "Guide on the qualifications in vocational education". It is published on the websites of the Ministry of Education and Science, VET Center and BDE.		

d/ Introduction and implementation of effective mechanisms for the validation of non-formal and informal learning (YG – early intervention	MoES MLSP, BDE,VETC, AEC, SEI	2022	<ul> <li>Status: Partially implemented</li> <li>Realized progress:</li> <li>During 2020 the activities for piloting the mechanisms for validation of non-formal education and informal learning for several selected qualifications continued.</li> <li>Based on the achieved results from the piloting, a new Law on Adult Education has been prepared and adopted by the Government (which is in the parliamentary procedure for adoption) which fully regulates the procedure/mechanisms for validation of non-formal and informal learning.</li> </ul>	<ul> <li>Problems:</li> <li>At the moment there is no systemic (regulated) validation system, having in mind that the Law on Adult Education is in parliamentary procedure for adoption.</li> <li>Future steps:</li> <li>After the adoption of the Law on Adult Education, all bylaws will be adopted which regulate the mechanisms for validation of non-formal education and informal learning, which will be implemented systemically (accreditation of providers of validation services, creation of a register).</li> </ul>	
e/ Upgrading and enhancing the existing models and information systems in the function of developing more relevant youth education and employment policies (YG - early intervention)	MoES MLSP	2022	Status: Partially implemented         Realized progress:         The Law amending the Law on Secondary Education (Official Gazette no. 229/20) introduced a legal basis for establishment of the Information System "Skills Observatory ".         The legal basis for data exchange for the needs of the Skills Observatory is also provided for in the Law on Primary Education (adopted in August 2019)         The information system "Skills Observatory" has been built, but in order for it to be able to start using it, amendments to the Law on Higher Education are needed.	No amendments have been made to the Law on Higher Education in order to introduce a legal basis for data exchange for the needs of the Skills Observatory, due to which the Skills Observatory has not been in use <b>Future steps:</b> Amending the Law on Higher Education, to enable usage of the Information System "Skills Observatory".	No fiscal implications

f/ Identification,	ESARNM	2022	Status: Not implemented	Problems:	
participate in labour Sp market integration Nat measures and improve fo their employability (YG – outreach) Prop Mo and or	MLSP, Youth and Sport Agency, National Agency for European Education Programmes and Mobility, youth and civil society organizations, service providers	2022	Realized progress: *Given the situation with Covid-19, no outreach activities were conducted as in previous years. However, it must be noted that the number of unemployed people registered with the Employment Service Agency during 2020 has been increasing, especially during the crisis caused by the Covid-19. Namely, the Decree with legal force was adopted which enabled claiming unemployment benefit during the state of emergency by the unemployed persons whose employment was terminated in the period 11.3 - 30.4.2020, regardless of the time spent in employment and the Decree on issuance of payment cards for purchasing Macedonian products. One of the criteria for exercising the right, according to the above Decrees is for the person to be registered in the Employment Service Agency as an unemployed person-active job seeker. Furthermore, the claiments of Guaranteed Minimum Assistance and all unemployed able-bodied members of the household, must report monthly with the Employment Service Agency as unemployed persons - active job seekers. All the above legal solutions, guidelines, recommendations and measures adopted by the Government of the RNM, which regulate the manner and conditions of registration as an unemployed person, have led to an increase in the number of persons registered in the ESA.	Given the situation with Covid-19, no outreach activities were carried out as in previous years. <b>Future steps</b> *Strengthening the outreach activities in order to activate the inactive young people (implementation will depend on the conditions and measures to prevent the spread of the pandemic due to the need for direct contacts of youth workers with young people).	
			* To facilitate career counselling of the youth, as an important element of the Youth Guarantee, the activities related to the update and upgrade of the Occupational Outlook available at the website <u>www.zanimanja.mk</u> were continued. In accordance with the adopted Methodology and Work Plan for preparation and updating of the Occupation Outlook for the period from 2018 to 2021, 15 new job descriptions/reviews were prepared in 2020. The existing descriptions have been updated with the latest statistical data. Thus, the total number of occupations within the Outlook is 60.		

g/ Strengthening the	MLSP	2021	Status: Fully implemented	Problems: /	The funds for
local approach in improving the employability of young people	ESARNM, local institutions, LESCs, social partners, ILO		The activities envisaged for 2020 have been fully implemented; The activity continues in 2021. <b>Realized progress:</b> * A total of 12 LESCs expressed interest in the concept of Local Employment Partnership (LEP), but 4 LESCs were selected out of a total of 6 preliminary designated for LEP development (Bitola, Kumanovo, Skopje and Veles). The local employment partnership in Bitola has been selected as the most relevant and feasible. This local employment pact is implemented through the LESC in Bitola with direct support from the EU project "Strengthening Social Dialogue", implemented by the ILO, which in June 2020 started the implementation and established the Start-up Centre in Bitola. In the reporting period, training and mentoring programs were organized through the Start-up Centre and 4 start-up ideas were selected for their financing and support. * Labour market diagnostics were prepared in five municipalities Bitola, Kicevo, Kumanovo, Strumica and Tetovo.	* Labour market diagnostics with recommendations for the municipalities of Resen, Struga, Stip and Svet Nikole will be prepared.	i Development Agency and UNDP
			*With the support of the Swiss Development Agency and UNDP, the Youth Resource Centre "I can" was opened in Gostivar, intended for young people from the Polog region. The mission of the Centre is to prepare young people for active participation in the labour market, encouraging entrepreneurial spirit and innovative business solutions, supporting digitalization and green ideas, as well as establishing closer cooperation with the private sector in the region.		

Activity	Responsible institution	Time frame	Progress	Problems and Future steps	Funds spent
1	2	3	4	5	6
a/ Preparation and implementation of the annual Operational plans for labour market services and active employment programmes and measures, focusing on designing a set of various services and measures tailored to the needs of the different specific vulnerable groups of unemployed persons	ESARNM MLSP social partners, service providers	2022	<ul> <li>Status : Fully implemented</li> <li>The activities envisaged for 2020 in the Operational Plan for active programs and measures for employment and services on the labour market are fully implemented; The activity continues to be implemented in 2021.</li> <li>Realized progress:</li> <li>The Operational Plan for active employment programs and measures and labour market services for 2020 has been implemented (including Youth Guarantee). The realization of all active employment programs and measures for 2020 is more than 94.5% (planned 11,596, realized 10,953).</li> <li>The following results have been achieved:</li> <li>-1,468 people were employed through self-employment support programs;</li> <li>-2,428 persons are employed through the programs for subsidized employment, employment and growth of legal entities;</li> </ul>	<b>Problems:</b> Due to the situation with Covid-19, certain types of services on the labour market were realized with a reduced volume because they could not be implemented in the usual way (for example, group activities within several types of services, etc.). The activities of the employment centres were focused on those services that were implemented with an individual approach in working with the unemployed through information, counselling, motivation and other activities to strengthen their capacities. Also, the services and the cooperation with the employers were regularly implemented through informing, etc., through visits to the employers and individual contacts in the employment centres.	20.479.900€

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

program; - 450 unemployed people were engaged in the public works program; - 3,474 young people supported through the youth allowance program	Future steps: With the new Operational Plan for active employment programs and measures and labour market services 2021, the planned coverage of persons in employment programs and labour market services for 2021 amounts to 11,889 unemployed persons, for which a budget of the ESARNM and the MLSP has been allocated in the amount of MKD 1,360,000,000 (approximately EUR 21.9 million), while the total budget from all sources is MKD 1,531,023,886 (approximately EUR 24.7 million).
Regarding the activation of unemployed Roma, the number of informed unemployed persons is 2014, during which "Questionnaires for profiling and evaluation of the professional capacities of an unemployed person for inclusion in active measures" were completed for 298 persons. During 2020, a total of 14,646 people benefited from employment mediation and 2,767 people were employed. 3,818 employers were covered by the services for the employers through visits and meetings in the employment centres (for information on the possibilities for using active measures and services, benefits for employment of unemployed persons, etc.).	

b/ Development and	ESARNM	2022	Status: Partially implemented	Problems:	307.927€	
b/ Development and implementation of specific activation and employment support measures for the persons at social risk (guaranteed minimum income beneficiaries, Roma, etc.), aimed at stimulating their active participation in the labour market, job seeking and employment	ESARNM MLSP; Social Work Centres; social partners; service providers;	2022	<ul> <li>Status: Partially implemented</li> <li>Realized progress:</li> <li>*Activities for activation and inclusion of vulnerable groups, especially beneficiaries of guaranteed minimum income, in the labour market, through their inclusion in skills development programs have begun. The activation is initially implemented with financial support from the Instrument for Pre-Accession Assistance, through the project "Activation of vulnerable groups in the labour market". In 2020, the active employment programs and measures targeted a total of 154 beneficiaries of guaranteec minimum income, and activation plans were developed (inclusion in active employment measures and services) for 981 people. These plans are prepared jointly by the Centre for Social Work and the Employment Centre of the selected GMA beneficiaries, as the most easily employable persons in the household, and as such potential candidates for inclusion in the labour market.</li> <li>*Activation of unemployed Roma and other persons at risk of social exclusion according to the Acceder model and mentoring program for Roma - Unemployed Roma and other persons at risk of social exclusion are also supported within the project "Creating jobs for all". In cooperation with civil society organizations, employment support is provided according to the Spanish Acceder model. Additionally, the unemployed had access to (15) mentors in 19 municipalities who informed and motivated them about employment capacities. Within these services in 2020, a total of 4,200 people were informed, and for 2.14 people (1,778 with the support of mentors + 226 through the Acceder program) questionnaires were filled in for profiling and evaluation of the professional capacities of the unemployed person for inclusion in active measures. 216 people were involved in an active employment reasure and 107 people (83 with the support of mentors + 24 through the Acceder program) were directly employed in the private sector. The service is provided by UNDP in cooperation with ESA.</li> </ul>	<ul> <li>* In order to facilitate access to the GMA for persons without income after the outbreak of the pandemic, decrees with legal force and legal amendments were adopted, which waived the obligation of the beneficiaries of the GMA to report to the Employment Service Agency of the RNM as active job seekers. The relaxing of liabilities probably affected the behaviour of GMA beneficiaries and their willingness to seek and accept participation in active employment measure or job offer.</li> <li>* The influx of clients on the one hand and the changed modus of operation of the social work and employment services shifted the focus to those who lost their minimum income and to those who lost their jobs.</li> <li>* The economic crisis and reduced economic activity of anterprises</li> </ul>	Out of which: "Activation of vulnerable groups in the labour market": 237.683€ (PAA) and Acceder and a mentoring program for Roma: 70.244€ Swiss Development Agency and UND	
					employment; * The activation of unemployed Roma and other persons at risk of social exclusion continues	
				according to the Acceder model and mentoring program for Roma; * Analysis of the impact of social benefits on Roma	50	

c/ Support to the	ESARNM	2022	Status: Fully implemented	Problems:/	2.747.445€
employment of persons with disabilities	MLSP, UNDP		The activities envisaged for 2020 have been implemented; The activity continues in 2021. <b>Realized progress:</b> * Through the measure Self-employment, 20 persons with disabilities were supported to start a business with a grant and mentoring to guide them through the process The measure Support for employment of persons with disabilities is implemented in accordance with the Law on Employment of Persons with Disabilities and funds were earmarked for employment of 189 persons with disabilities (90.9% of the planned coverage of 208 persons) of which 56 persons were women and 14 persons Roma. * In the reference period, employment contracts were concluded for 189 persons (funds in the amount of MKD 90,305,140 were allocated), 35 contracts were concluded for procurement of equipment (funds in the amount of MKD 52,886,811 were awarded) and two contracts were concluded for adaptation (funds in the amount of 200,000 denars have been allocated). (The measure Support for employment of persons with disabilities is implemented in accordance with the Law on Employment of Persons with Disabilities. The finances are provided from the total collected funds from the existing employment contribution, out of which 10% are allocated on the sub-account in the Employment Service Agency).	Future steps: * Development of a new concept for employment of persons with disabilities, which will establish a new system of vocational rehabilitation tailored to the real needs of persons with disabilities. Preparation of a new Law on employment of persons with disabilities, which will regulate the new concept of employment of persons with disabilities. *The piloting of work-oriented rehabilitation continues, with a gradual transition to self- sustainability of services. The focus will be on job- oriented training for people with disabilities and employment support.	Coordial fund

			<ul> <li>* The analysis made within the Social Insurance Administration Project showed that it is necessary to make changes in the way of allocating funds from the Special fund for employment of persons with disabilities, to introduce a (legal) basis for allocating funds for vocational rehabilitation and to encourage employers to employ (persons with disabilities) in the open labour market, and not only in protective companies.</li> <li>* Piloting of work-oriented rehabilitation has started, which offers a structured and individual approach to persons with disabilities, based on functional assessment and preparation of an individual plan for work-oriented rehabilitation. People with disabilities receive professional support that leads towards inclusion in the labour market. Job-oriented rehabilitation and support for employment of persons with disabilities are delivered within the Centre for job-oriented rehabilitation of the association Izbor in Strumica and in the Public Institution "Institute for Rehabilitation of Children and Youth - Skopje" in Topansko Pole which organized and systematized the Service for professional rehabilitation of persons with disabilities. The pilot is supported by the Swiss Development Agency and UNDP.</li> </ul>		
d/ Development of social entrepreneurship, aiming at job creation and integration of the most disadvantaged categories into the labour market	MLSP ME, ESARNM, MF, APERM, FITD, NGOs, banks and financial institutions, business sector	2020	<ul> <li>Status: Fully implemented</li> <li>The activities envisaged for 2020 have been realizes. The activity also continues in 2021.</li> <li>Realized progress:</li> <li>During the year, a draft proposal was prepared and a public debate was held on the National Strategy for Development of Social Enterprises, which aims to develop a sustainable ecosystem that will be encouraging and enabling for social enterprises in the country. The strategy envisages measures and activities grouped in four strategic priorities: Creating a culture of social enterprises and actors in the ecosystem; Market Development for Social Enterprises and Building a Financial Ecosystem for Social Enterprises.</li> </ul>	Problems: / Future steps: In 2021, the National Strategy for Development of Social Enterprises in the Republic of North Macedonia 2021-2024 will be adopted with an Action Plan for its implementation. The preparation of a legal framework will begin and a national centre for the support of social enterprises will be established. At the same time, financial support will be provided for the growth and development of social enterprises.	

e/ Regular and continued monitoring	ESARNM	2022	Status: Fully implemented	Problems:/	
and evaluation of the performance of active employment measures and labour market services, setting targets and follow-up of their achievement	MLSP; social partners;		<b>Realized progress:</b> The annual Operational Plan states that the monitoring is conducted "as a daily monitoring at the local level by the employment centres and at the national level by the Employment Service Agency". On a monthly, quarterly and annual basis, the monitoring is conducted by the MLSP, national coordinator, director and the Supervisory Board. The operational guidelines for the implementation of the OP, prepared annually, further specify the procedures and documentation required for each active labour market measure in the Operational Plan. The Employment Service Agency has a well-developed IT software system that provides a solid foundation for collecting and processing data needed for monitoring.	<ul> <li>Future steps</li> <li>* In 2021, the Employment Agency with the support of the Regional Cooperation Council is planned to conduct analysis and assessment of the impact of active programs and measures on the labour market.</li> <li>*In order to improve the information on the future developments on the labour market, the model HERMAK of the Ministry of Labour and Social Policy will be upgraded for long-term forecasting of the labour market.</li> </ul>	

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

Activity	Responsible institution	Time frame	Progress	Problems and Future steps	Funds spent
1	2	3	4	5	6
a/ Supporting female participation and employment and reducing the gender gap in the labour market	MLSP ESARNM, ME, MAFWE, social partners, SLI, relevant non- governmental organizations, business sector		Status: Partially implemented Realized progress: * The principle of diversity and inclusion for all social categories in the private sector is respected in the implementation of employment programs and measures, as well as delivery of labour market services, in accordance with the principles of gender based equitable and adequate representation. In 2020, 44.7% in the active employment measures and 51% of the participants in the labour market services were women. *Under the Competitiveness, Innovation and Entrepreneurship Program for 2020, area A - Support and development of micro, small and medium enterprises and crafts, 66 businesses were subsidized, of which 11 through the sub-measure 1.4 Financial support for women entrepreneurship. * In Measure 115 - Support for an active female member in the agricultural household, about 250 applications successfully passed the evaluation phase and qualified for a financial grant in the amount of 180,000 denars for the purchase of equipment. This was followed by an increase in the number of registered	Problems: The crisis has had a strong impact on the security, socio-economic and health status of women, especially the most vulnerable. With the beginning of the spread of Covid-19, besides the health sector, several other activities stood out as essential for the daily functioning - production and sale of food products, work in pharmacies, shops and supermarkets, financial services, maintenance of hygiene, as well as professions from health care. These activities required physical presence in the workplace for employees, thus increasing the risk of exposure to the infection and more difficult conditions for performing work responsibilities. 30% of employed women versus 16% of employed men are employees in the health care sector are women <sup>vii</sup> .	243.000€ Measures for development and support of entrepreneurship 650.000€ Measure 115 The funds for active measures are presented under 3.1.1.2. a/

			women holders of agricultural holdings from 36,048 in 2019 to 38,241 women who registered agricultural holdings. <sup>VI</sup> . * Within the first two packages of government measures adopted with the beginning of the crisis to prevent the spread of the disease, two measures had an impact on women in the labour market: the closure of kindergartens and schools introduced the measure of dismissal of one of the parents for caring for a child under the age of 10 (or active 4th grade) during the crisis period. In practice, this measure was used more by employed women. Other measures are the extension of paid maternity leave which ends in the crisis months with the onset of the crisis. The third package of measures for the first time highlighted economic measures with a special focus on women and refers to interest-free loans and partial grants (30 percent grant) for micro and small companies run or founded by women (supported by IPA) *The Law on Prevention and Protection against Discrimination was adopted, which, among other things, prohibits discrimination based on sex and gender in the work and labour relations. Protection in case of discrimination in the field of employment is exercised with the Commission for Protection against Discrimination. *The Law on Prevention and Protection from Violence against Women and Domestic Violence was adopted, which aims to prevent and stop gender-based violence against women and domestic violence, effective protection of victims of any form of gender-based violence against women and victims of domestic violence. The purpose of the law is based on the principle of equality and elimination of stereotypes about gender roles.	labour market for the overall economy and reducing the gender gap in economic life." More important outcomes for achieving this goal are: 1) Increased activation of women and reduced gender inequality in the labour market, with a special focus on women from marginalized communities, 2) Reduced gender pay gap through appropriate measures, 3) Reduced sectoral and hierarchical segregation of jobs, 4) Improved quality of work of women, 5) Established measures to harmonize	
b/ Reconciliation of private and work life	MLSP social partners, business sector, relevant nongovernmental organizations, ILO	2022	<ul> <li>Status: Fully implemented</li> <li>The activities envisaged for 2020 have been implemented; The activity continues in 2021.</li> <li>Realized progress:</li> <li>* (Preschool) institutions were closed for six months after the declaration of the pandemic, and the Government in March adopted a recommendation for releasing one of the parents for caring for a child under 10 years of age (or 4th grade). In September, kindergartens were reopen for work but with reduced capacity. Priority for attending kindergarten have the children of single parents and children of two working parents,</li> </ul>		4.329.087€ Budget of the RNM (Capital Investments) 1.328.687 € (99,7%realization) Budget of the RNM (Loan from

<ul> <li>who cannot perform work tasks from home. Parents of children with disabilities were also released from work due to the temporary closure of day care centres.</li> <li>* 12 public kindergartens and 2 private kindergartens were opened, which created a capacity for at least 761 children. The care and upbringing of children from early childhood is organized in 105 institutions for children - kindergartens, of which 76 public kindergartens with a total of 320 facilities and 25 private kindergartens with a total of 30 facilities with a capacity for care of 33,974 children.</li> </ul>	possibility to use parental leave and fathers, paid leave from work to provide care and the right to work in a flexible form for the care and care of a child, in accordance with the EU Parental Leave Directive and international labour standards. * Adoption of the Gender Equality Strategy 2021- 2026 which envisages the implementation of minimum standards for equal distribution of responsibilities in the home from the EU Work-Life Balance Directive .	World Bank): 3.000.400€ The services for the elderly are presented under 3.3.2.1. 6/
* Activities for the development of services for the care of the elderly and infirm and persons with disabilities continued, such as home care services, personal assistance, opening of residential facilities for the elderly, etc. The Ministry of Labour and Social Policy signed agreements with 19 municipalities to award grants for the establishment and development of social services.	<ul> <li>* Adoption of a new Law on Gender Equality in order to establish an efficient system of gender equality.</li> <li>* Construction of new facilities for institutions for early childhood development and creation of capacities to cover a larger number of children.</li> <li>* Further development of services for care of the elderly and infirm.</li> </ul>	

#### **3.1.2. TACKLING INFORMAL EMPLOYMENT**

3.1.2.1. Objective: F	3.1.2.1. Objective: Reducing informal employment				
Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Promotion of processes and mechanisms for measurement, monitoring and detection of the informal economy	MLSP SLI, SSO, PRO, State Market Inspectorate, Central Register		Realized progress: Within the project "Improving the working conditions", an in- depth analysis of the availability and quality of data on informal	Future steps: Adoption of the model for data exchange and its operationalization; calculation of the indicators for monitoring the Informal Economy Strategy.	66.000€ (EU project "Improving the working conditions")

55

b/ Providing incentives and support for formalization of informal economic activities	MLSP MAFWE, MF, PRO, social partners	2022	Status: Partially implemented Realized progress: In terms of improving the situation regarding the informal economy and informal employment, the GIZ supported project "Increasing employment opportunities for seasonal workers" was implemented, which made a detailed analysis of seasonal employment in agriculture and catering facilities, and three models for regulating seasonal employment were proposed, including recommendations for the legal definition of seasonal/flexible employment in agriculture and catering facilities.	Problems:/ Future steps: *Development of a voucher model in the service sector, with a focus on personal services and household services. Research will also be conducted, which will be the basis for the proposed model. * Improving the legal solution for seasonal employment in the new Law on Labour Relations	
c/ Implementing promotional activities for information and public awareness raising on the necessity and benefits of formalization of the informal economy, as well as on the risks and detrimental effects of informal employment	MLSP SLI, PRO, inspection services, social partners	2022	Status: Not implemented The activity is planned to begin in 2021. Realized progress:	Problems: Future steps: The activity will be conducted in 2021 and 2022.	
d/ Strengthening the capacities and effectiveness of inspection services in tackling undeclared work, including also improving the harmonization with the European Union standards and the enforcement of the legislation in the field of occupational health and safety	MLSP SLI, inspection services, PRO, social partners, ILO	2022	<ul> <li>Status: Fully implemented</li> <li>The activities envisaged for 2020 have been implemented; The activity continues in 2021.</li> <li>Realized progress:</li> <li>*In 2020, a total of 32,116 inspections were performed (19,057 in the field of labour relations and 13,110 in the field of OSH), where breach and irregularities were identified for which a total of 2,968 decisions were issued (1,968 in the field of labour relations and 1,000 in the field of OSH).</li> <li>Out of the total number of performed inspections, 22,866 inspections were performed from March to December 2020 as extraordinary inspections due to the outbreak of the Covid-19 pandemic and they were not integral part of the Work Program of the State Labour Inspectorate for 2020. The work of the state labour inspectors was focused on the implementation of measures, decrees, decisions and recommendations of the Government of the Republic of North Macedonia to deal with</li> </ul>	<ul> <li>Problems:/</li> <li>Future steps:</li> <li>*In 2021, it is planned to hire 14 new inspectors (7 from labour relations and 7 from OSH) and to promote four inspectors. It is envisaged to increase the salaries of inspectors by 10% in accordance with the Law on Inspection Supervision as a right to a salary supplement due to the high risk of life and health of inspectors.</li> <li>*For 2021, two generic and eight specialized trainings are envisaged (4 for labour inspectors and 4 for OSH inspectors) to upgrade the basic competencies and skills of inspectors.</li> <li>* In 2021, the budget of the State Labour Inspectorate is 129.7 million denars. It has increased by 5.65 million denars compared to the budget for 2020.</li> </ul>	

em sta Pro adc nur wo reg Bas Cov ide cha	pandemic of Covid-19 which were in force during the state of ergency from March to June 2020. After the cessation of the te of emergency, new decrees, amendments to the Law on tection of the Population from Infectious Diseases were opted, which increased the competencies of inspectors, merous protocols were adopted for certain activities, so their rk was focused on implementing the novelties in the ulation, in order to deal with the pandemic in our country. ed on the conducted extraordinary inspections due to the rid-19 pandemic, 685 decisions were made to eliminate ntified deficiencies and irregularities and 21 misdemeanour rges were filed.	* The activities within the process of improving the legal framework for safety and health at work continue. The new and harmonized text of the OSH Law is expected to be finalized and submitted to the Government by the end of 2021.
lab insj anc	total of five new inspectors were recruited (4 in the field of our relations and one in OSH), which increased the number of pectors to 118 inspectors (80 in the field of labour relations I 38 in the field of OSH), and also four inspectors were moted.	
	uring 2020, a total of seven online trainings (4 specialized and eneric) of state labour inspectors were delivered.	
frai pre imp con the har effe	he activities pertaining to the process of improving the legal mework for occupation safety and health at work (OSH) and paration of a new law, which will improve the elementation of policies, standards and measures in this area, tinued. A draft text of the Law has been prepared, which in coming period will be subject to further consultations and monisations, in order to obtain an improved, modern and ectively applicable legal framework regarding the health and ety of workers.	

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

3.1.3.1. Objective: Further improvement of the ESAR NM capacities					
Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Improvement of the physical capacities and work conditions in the	ESARNM		<b>Status</b> : Partially implemented The activity has started and is ongoing.	<b>Problems</b> : Due to budget constraints in 2020, the Agency was not able to implement the planned modernization	235.352€

Employment Service Agency			The renovation of the Employment Centre in Kumanovo is in the final phase. The construction works for reconstruction, rehabilitation and adaptation of the building of the Centre are in progress.	of employment centres. <b>Future steps</b> : *In 2021, in accordance with the approved Budget of the Employment Agency of the Republic of North Macedonia and the Public Procurement Plan for 2021, a total amount of 14,297,500 denars is envisaged for reconstruction of business buildings.	
				According to the foreseen means and possibilities, the preparations are in progress and reconstruction of a larger employment centre is planned in the Polog region. * Digitization of the services offered by ESARNM	
				through the implementation of a public portal that will make available the services of the Agency from anywhere and at any time. The portal will support the implementation of e-services and will enable users to initiate the process for submitting a request/application for an active measure, while providing the Agency with a new channel for communication and cooperation.	
c/ Developing human resources in the public employment service, by increasing the number of employees and ensuring their continuing development	ESARNM	2022	* The employment agency consists of one central office, thirty employment centres and twenty-five branch offices. The central office has 72 employees (including the CEO and Deputy Director), while 453 are employed in local employment centres.	<ul> <li>Problems:</li> <li>* Due to budget constraints in 2020 and other objective reasons (see 3.1.1.1.b /) the planned recruitment of new staff was not implemented.</li> <li>* During the crisis, the number of clients actively seeking work increased 1.5 times, which created additional pressure on the employees of the Employment Agency.</li> <li>Future steps:</li> <li>The total number of jobs provided by the systematization act is 645, of which 551 are administrative staff, 49 assistants and 49 technical support staff. In the course of 2021, it is planned to employ 35 people for an indefinite period of time, out of which 22 new employments in the employment centres, 6 in the sector for active measures and 3 new employments in the youth employment department.</li> </ul>	4.266.685€

	financial consent from the Ministry of Finance. * During 2020, three trainings were organized on the topic: Uniform action and application of the Law on employment and insurance in case of unemployment and the Law on general administrative procedure in Skopje, Stip and Ohrid, which was attended by 48 employees working on cases for realization on the right to financial compensation during unemployment, as well as three trainings on the topic: Upgrading the capacity of employees for professional services for employer counselling and employment mediation, in Ohrid, Strumica and Skopje, which was attended by a total of 49 employees working on implementation of active measures and services for employment on the labour market and one training on the topic: Youth Guarantee which was attended by 32 counsellors from the employment centres of the ESARNM who are responsible for the implementation of the Youth Guarantee, or a total of 7 trainings with 129 participants.		
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## **3.1.3.2.** Objective: Further improvement of services and work of the ESAR NM with its clients (unemployed and employers)

Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Improvement of the processes of profiling, development and quality of individual employment plans and their linking with active labour market programmes and measures	ESARNM		<ul> <li>Status: Fully implemented</li> <li>The activities envisaged for 2020 have been implemented; The activity continues in 2021.</li> <li>Realized progress:</li> <li>Job search assistance includes profiling and preparation of individual employment plans for the unemployed, employment counselling, providing information on the needs of the labour market, vacancies, etc this service covered 39,479 people, of which 20,138 women and 14,296 young people up to 29 years old.</li> <li>Within the service, the employability profile of 10,311 persons was prepared and individual employment plans were implemented: 18,945 IEP-1 (for persons who are directly employable or with moderate employment difficulties) and 3,448 IEP-2 (individual employment plans for difficult employable persons, i.e. persons facing significant obstacles to inclusion in the labour market). 115 of the persons with</li> </ul>	<ul> <li>Problems:</li> <li>*Compared to March 2020 (beginning of the Covid- 19 crisis), the number of unemployed persons registered with the ESARNM increased by 50,616 unemployed persons, i.e. the number of active job seekers increased by 1.5 times</li> <li>*Following the instructions of the Government of the RNM to prevent the spread of Covid-19, the ESARNM temporarily suspended the regular registration of unemployed persons, including the beneficiaries of cash benefits and the beneficiaries of guaranteed minimum assistance.</li> <li>* 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 counselling,</li> </ul>	

			developed IEP-2 were included in the active employment measure.	which was difficult in the circumstances. Some of the unemployed persons on the record have already had an IEP. Future steps: * providing of services in accordance with legal regulations
b/ Promotion of the cooperation with employers	ESARNM	2022	Status: Fully implemented         The activities envisaged for 2020 have been implemented; The activity continues in 2021.         Realized progress:         *During 2020, a total of 3,646 applications for employment mediation were submitted. A total of 14,646 people were involved in the intermediation and 2,767 people were employed. Out of the total number of submitted requests, 742 requests for intermediation were submitted only by the employers from the private sector (except state and public). A total of 9,453 people were employed.         *In 2020, 3,600 meetings with employers were held. Of these, 406 meetings were realized through visits to employers, and 3,194 meetings with employers were realized in the employment centres. Also, group meetings with employers.         The activities within these services for employers covered 3,818 employers.         In the employment centres there are certain persons who work on the services for employers and employers.         The actividuals were involved in training to work with employers.	Problems: In 2020, the number of submitted requests for employment intermediation from employers was reduced due to the situation with Covid-19 because there were fewer requests for employment of new workers, and the number of submitted requests for employment intermediation to ESARNM is affected by the fact that some employers provided adequate labour force for employment through the use of active employment measures (e.g. wage subsidies, etc.) Future steps: * Provision of services in accordance with legal regulations
c/ Promotion of the cooperation between the employment offices and the social work centres, in particular in terms of activation of beneficiaries of guaranteed minimum	ESARNM SWC, MLSP	2020	Status:PartiallyRealized progress:Cooperation has been established between all employment centers and social work centres, with regular communication and holding working meetings (mainly online), especially for harmonization of the procedures for selection of beneficiaries of guaranteed minimum assistance and preparation of individual activation plans, in accordance with the Rulebook on	Problems: Cooperation between employment centres and social work centres is hampered by the not yet established electronic data exchange. Until the establishment of electronic exchange, Individual activation plans are filled in manually by the employees in the employment centres and the social work centres.

income and othercooperation of the GMA beneficiary in the active measures from May 2019. By 31.12.2020, 981 in employment plans were prepared.and benefits, persons at risk of social exclusion, among whom Roma, persons with disabilities, etc.cooperation of the GMA beneficiary in the active measures from May 2019. By 31.12.2020, 981 in employment plans were prepared.	
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#### 3.1.4. STRENGTHENING SOCIAL DIALOGUE IN RNM AT TRIPARTITE AND BIPARTITE LEVEL, AT NATIONAL AND LOCAL LEVEL, IMPROVEMENT OF COLLECTIVE BARGAINING

33.1.4.1. Objective: \$	Strengthening t	the capacit	ties of social partners and social dialogue mechanism	15	
Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Implementation of strategic and marketing plans of employers' organizations and trade unions	Social partners		<ul> <li>Status: Fully implemented</li> <li>The activities envisaged for 2020 have been implemented; The activity continues in 2021.</li> <li>Realized progress:</li> <li>Within the Project "Strengthening the Social Dialogue" communication strategies have been developed for the Federation of Trade Unions of Macedonia (FTUM), the Confederation of Free Trade Unions of the Republic of Macedonia (CFTU), the Union of Independent and Autonomous Trade Unions (UIATU) and the Confederation of Trade Unions Macedonia (CTUM).,The communication strategies have been implemented with the support of the Project (e.g. activities and posts on social media, advertising services, campaigning om workers' rights, organizing a school for union representatives, etc.).</li> </ul>	Problems:/ Future steps: Continue the support for the implementation of communication strategies of the social partners.	12.500€

b/ Strengthening the existing ones and developing modernized services to be delivered by the social partners (organizations of employers and trade unions)	MLSP Social partners, ILO	2021	Status: Fully implemented The activities envisaged for 2020 have been implemented; The activity continues in 2021. Realized progress: Implementation of 10 projects for introduction of new services to trade unions and employers' associations has started. The projects are funded within the project "Strengthening Social Dialogue", where they were selected from a total of 18 applications from trade unions and employers' associations. The	Problems:/ Future steps: Further support of trade unions and employers' associations, by improving visibility, and by adapting to the new reality by introducing new services to retain existing ones and attract new members.	126.000€
			focus of the trade union projects is on providing legal aid to workers and training. Employers' associations have created an e-learning platform and training modules. A payroll survey tool has been designed and promoted. Preparation of materials for the legal corner and the resource platform, three training programs for human resource management and skills for future work are in progress; digital business transformation and access to finance for enterprise development.		
c/ Enhancing the participation of the Economic and Social Council in shaping the national economic and social policies, by strengthening the capacity of ESC to issue high quality opinions to the Government and organizing campaigns in coordination with the LESCs	Social partners	2021	Status: Fully implemented The activities envisaged for 2020 have been implemented; The activity continues in 2021. Realized progress: *In 2020, the Economic and Social Council (ESC) functioned smoothly, holding a total of 11 sessions, during which a number of regulations and documents in the economic and social sphere were reviewed. At most sessions, the focus was on proposing and adopting policies to overcome the health and economic crisis caused by the Covid-19 pandemic. Most of the reviewed regulations and documents were adopted with a positive opinion and without remarks by the Economic and Social Council, and there were some that were adopted with conclusions with specific proposals that were further adopted in the government procedure. Regarding the creation of measures for overcoming the health-economic crisis as a consequence of the pandemic with Covid-19, the proposals presented at the sessions of the ESC dedicated to that topic have been taken into account. <sup>viii</sup>	of the standing committees of the ESC by the end of 2021.	65.000€

			* Regarding the strengthening of the capacities of the ESC, two trainings were realized - workshops for the members of the standing committees of the ESC on topics: development of goals and indicators for the labour market and poverty and the rate of collective bargaining. The Standing Committee on Employment and Labour Market Policy was involved in collecting data on Covid-19 and the World of Labour: Rapid assessment of the Employment Impacts and Policies Responses. The Committee on Employment and Labour Market Policy, the Committee on Labour Relations and Wages and the Committee on Social Security were involved in the development of goals and indicators for the labour market and poverty. In coordination with the LESCs, under the auspices of the ESC, a campaign was conducted on the topic "My work, my rights", in order to raise awareness of citizens, especially workers about their employment rights and also promote the ESC and LESC in the general public.		
d/ Strengthening the social dialogue at local level by initiating the implementation of local employment partnerships in a process enabled by the Local Economic and Social Councils;	Social partners Municipalities, ILO, MLSP	2021	<ul> <li>Status: Fully implemented</li> <li>The activities envisaged for 2020 have been implemented. The activity continues in 2021.</li> <li>Realized progress:</li> <li>A total of 12 LESCs expressed interest in the concept of Local Employment Partnership (LEP), but only LESCs in Bitola, Kumanovo, Skopje and Veles qualified for support under the project "Strengthening Social Dialogue" for the development of Local Employment Pacts (LEP). The local employment contract of the LESC in Bitola is being implemented and in June 2020 the Start-up Centre in Bitola was established. Training and mentoring programs were organized through the Start-up Centre and four start-up ideas for financing and support were selected.</li> <li>Given the forecast for significant job losses, LEPs have proven to be an important tool for stimulating the labour market at the local level, by offering local solutions to the challenges facing by local communities.</li> </ul>	Problems:/ Future steps: Implementation of the local employment pact in Bitola and sharing the experience of the LESC in Bitola with other LESCs.	50.000€

e/ Support, efficient functioning and further	MLSP	2022	Status: Not implemented	Problems:
improvement of the established mechanism for amicable settlement of labour disputes	social partners, ILO		Realized progress:/	As a point in the Annual Work Program of the ESC in 2020, an activity was envisaged for assessment and revision of the legal framework for the functioning of the mechanism for amicable settlement of labour disputes. Due to the unforeseen outbreak of the Covid-19 pandemic, the same activity has been postponed for 2021.
				Future steps:
				ESC considers the need to revise the existing legal framework for the amicable settlement of labour disputes.

# HUMAN CAPITAL AND SKILLS

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

Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Supporting inclusion of children from marginalized groups, primarily into primary and secondary education	MoES		The implementation is in progress. <b>Realized progress:</b> * The Law on Primary Education (from August 2019) envisages engagement of educational mediators for Roma students and exemption from costs for equivalence of certificates of vulnerable groups of citizens. The enrolment of children who do not attend classes, but are over the mandatory school age, is done by a commission formed by the school principal. Unregistered and unjustifiably absent students are reported to the State Education Inspectorate.	Problems: In 2020, distance learning was a challenge, due to the lack of appropriate conditions for its implementation (ICT, Internet, etc.), among some of the vulnerable categories of families. The plan for implementation of the classes in the primary and secondary schools states that for these children either the school provides materials in hard copies that are taken over by the parents or the school organise teaching for these children upon approval of the Government Future steps:	649.887€

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

did not attend classes, during 2020 the following acts were	
adopted:	*Continuous work and increase of the number of Roma educated mediators in primary education,
- Concept for inclusive education (which also applies to older	in order to increase the coverage of Roma
students who are out of the education system)	children in primary education, reduce the number of students leaving school, reduce the
Rulebook on the form and content of the certificate of	number of Roma students enrolled in schools for
application form for exemption of costs for beneficiaries of guaranteed minimum assistance	children with special needs, strengthening the
	ties of the Roma community and parents with the school, through the fight against social
- Program for providing tutoring to primary school students	exclusion (desegregation and discrimination) and
- Rulebook on the form and content of the certificate with	respect for differences and by promoting intercultural education.
which the child, after a check, is enrolled in the appropriate grade of primary education, for children who did not attend	
classes, and are over the mandatory school age	* The mentoring/tutoring support of Roma high school students receiving scholarships has been
- Instruments for checking the knowledge of children who	reintroduced in secondary education and the
have not attend classes, and are over the mandatory school	number of scholarships for Roma high school students will increase from year to year.
age	students will increase from year to year.
<ul> <li>Rulebook on the manner of enrolment of children who are not attending classes, and are over the mandatory school age</li> </ul>	
- Customized curricula that will enable inclusion in an	
appropriate grade of primary education, for children who	
have not attending classes, and are over the mandatory school age	
* In July 2020, the Memorandum for data exchange at	
national and local level for identification of school-age	
children was signed by the Ministry of Education, MLSP, Mol,	
MLS, SEI and the Birth Registry Office, which will be applied as of the school year 2021/2022.	
* Every year, the Ministry of Education and Science	
announces a competition for awarding scholarships for	
students in secondary education, including at least 400 scholarships for social support of students (544 scholarships	
were awarded in 2020), 100 scholarships for children with	
special needs and 50 scholarships for students - children	
without parents.	
* The number of scholarships awarded in secondary education to Roma high school students in five categories	
has increased from 800 to 900. At the same time, the	
number of Roma students in special secondary schools has	
<b>decreased</b> , as evidenced by the fourth category of scholarships intended for them. Within the academic year	
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			2019/20 the number of awarded scholarships was 7, and within the academic year 2020/21 that number is only 1. In 2020 compared to 2019, the number of mediators for Roma students in primary education has increased as well the number of municipalities where they are available, from 30 to 35 mediators and from 23 to 26 municipalities. *Two projects for inclusion of students from marginalized groups, primarily Roma students, continued to be implemented: The project "Inclusion of out-of-school children in the education system", implemented by the Macedonian Centre for Civic Education with support from the MES, Bureau for Development of Education, the Directorate for Development and Promotion of Languages in the Education for the Minority Communities and the State Education Inspectorate and is supported by the Pestalozzi Foundation, which covers 12 municipalities and 18 schools as well as the Project "Stay@School: Action for Inclusion of Roma in Elementary Education", implemented by the Foundation Open Society - Macedonia, together with its partners, and funded by the European Union.		
b/ Continued provision of free-of- charge text books to primary and secondary school pupils	MoES	2019-2020	<ul> <li>Status: Fully implemented</li> <li>It is being implemented continually.</li> <li>Realized progress:</li> <li>In the academic year 2019/2020 and the academic year 2020/2021, free textbooks are provided for all students in primary and secondary schools.</li> <li>As the majority of students follow the teaching in the academic year 2020/2021 remotely, the need arose to publish electronic contents of textbooks on the e-textbook portal as a tool to facilitate the learning process.</li> <li>the website e-textbooks has been updated and 400 textbooks for secondary education have been published, which are owned by the Ministry of Education and Science in all languages of instruction;</li> <li>a meeting was held with the representatives of the publishing houses and it was requested to allow the use of the textbooks they own in electronic versions;</li> <li>8 agreements were drafted and concluded for the transfer of textbooks for primary and secondary education for</li> </ul>	Problems:/ Future steps: In order to modernize the teaching and follow the world trends, a new concept for primary education was developed, which resulted in the adoption of a new Law on textbooks and other teaching and didactic materials. All this leads to the complete digitalization of the textbooks intended for the upper grades. For students from 1st to 3rd grade, the schools themselves will provide textbooks from the block grants provided by the Ministry of Education and Science.	6,791,354 € 100% realized Budget (342,445,992 denars for primary education) and (78,618,010 denars for secondary education

			distance learning;		
			- Consent was obtained from 4 publishing houses for using electronic textbooks for primary and secondary education that are published on the websites of the publishing houses through access links;		
			<ul> <li>electronic versions of 31 high school textbooks were published which were submitted electronically by the publishing houses;</li> </ul>		
			- part of the textbooks that are owned by the publishing houses did not have the possibility for electronic publication due to which paper versions of the textbooks were submitted to the Faculty of Computer Science & Engineering for the design of their electronic version.		
c/ Providing free-of-	MoES	2019-2020	Status: Fully implemented	Problems: /	1.397.903€
charge accommodation in the			It is being implemented continually.	Future steps:	
dormitories for pupils coming from the cities where there are no secondary schools (general education and vocational schools			pandemic, special dormitory accommodation protocols have been introduced. limiting the number of students that can be	For students who will not be able to be accommodated in a dormitory in 2021/22, if the Covid-19 protocols remain in force, a legal decision was adopted to receive monthly amount to cover the costs of private accommodation or a monthly amount of funds to cover the cost of transportation from the place of residence to the place of the high school where the student is enrolled in.	
d/ Intensified	MoES	2019-2020		Problems:/	No fiscal
monitoring and registration of the			It is being implemented continually	Future steps:	implications
pupils which have not			Realized progress:	Systematic data collection for visits and outcome	

regularly attended classes in the school and undertaking timely appropriate (preventive) measures			The monitoring is regulated by the Laws on primary and secondary education and is currently realized in the schools in the school year 2019/2020 and in 2020/2021, the family is visited for not attending classes and if there is no success, the State Education Inspectorate is notified. Additionally, the Law on Primary Education stipulates that in case of identified reason for leaving the school by the student, especially in case when the student has entered into an extramarital union, the school is obliged to inform the competent centre for social work, the State Education Inspectorate and the person responsible for education in the municipality within three days from the day of reporting the change by the parent or guardian for his/her action in accordance with law. The laws also regulates the system of counselling of students and parents/guardians in cases of irregular attendance at classes (when the student has made more than ten unjustified absences), for which Student Counselling Programs and Parent/guardians Counselling Programs have been adopted.	of visits	
e/ Intensified work with the students' parents	MoES	2019-2020	<ul> <li>Status: Fully implemented</li> <li>It is being implemented continually</li> <li>Realized progress:</li> <li>* The counselling programs for parents/guardians of primary and secondary education students, which are endorsed by the Minister at the proposal of the Pedagogical Service, enable achieving the goals of counselling parents/guardians: (1) attend classes, reduce learning success and / or manifest some form of inappropriate behaviour with the nature and significance of the problem that has arisen with their children; and (2) educating parents/guardians on ways to improve children's parenting skills and improve family relationships so that their children can cope more successfully with various types of school difficulties and life challenges. According to the Laws on primary or secondary education, the psychologist or pedagogue in the school is in charge of implementing this program.</li> </ul>	Problems:/ Future steps: A new form has been prepared for those responsible for implementing this program, which contains questions that will provide information that is relevant for the purposes of counselling. It is also planned to consult relevant institutions in order to improve the existing counselling program for students and parents/guardians in primary schools.	No fiscal implications.

f/ Improving the integration and interaction among students attending classes in different languages	MoES		formed that plans and organizes activities that contribute to the respect of multiculturalism and the development of intercultural dialogue/interaction and the promotion of interethnic integration. Grants have been awarded for the implementation of activities that contribute to the development and promotion of multiculturalism, interethnic integration and tolerance in primary and secondary schools, in accordance with the Laws on Primary and Secondary Education in 2019 and 2020. * In 2020, along with the public call, a list of examples of extracurricular activities that can be realized online was published, taking into account the situation with the Covid-19 pandemic. * In the academic year 2019/2020, 65 grants for primary schools and 25 grants for secondary schools were awarded. In the academic year 2020/2021, 70 grants for primary schools and 24 grants for secondary schools were awarded. * The Law on Primary Education stipulates that activities for interethnic integration and joint student initiatives are also planned in the Annual Program. Additionally, the State Education Inspectorate made changes to the Manual for Integral Evaluation and the indicators for the quality of the work of the schools with upgraded elements of interethnic integration.	students learning in different languages.	44.354€
g/ Stimulating and supporting the	MoES	2019-2020	Status: Fully implemented It is being implemented continually.	Problems: /	354.870€
education of Roma					
students	MLSP, NGOs, RIC		Realized progress:	Future steps:	
			l and a la manage and a talla a manage de statue de transport de la manage de la manage de la manage de la man	<ul> <li>* Increasing the number of educational mediators in primary schools, as well as increasing the number of municipalities covered by educational mentors.</li> <li>* Re-introduction of mentoring and tutoring support to Roma high school students and</li> </ul>	

	<ul> <li>needs who have an average grade from 3.00 to 5.00, motivational scholarship for Roma students with average grade from 2.00 to 2.99.</li> <li>The number of scholarships for Roma high school students has increased from 800 in 2019 to 900 in 2020.</li> <li>The number of students receiving scholarships is less than 1%.</li> <li>The number of awarded scholarships in the five categories for Roma students in public and private high schools in the Republic of North Macedonia has increased and the number of Roma high school students in special schools has decreased</li> <li>*, 35 educational mediators are engaged in 26 municipalities paid under the budget of the Ministry of Education and Science.</li> <li>* IPA 2 provides 638 scholarships for Roma children in first and second grade.</li> </ul>		
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## 3.2.1.2. Objective: improving the coverage and conditions for access to all levels of education for persons (children/pupils/students) with disability

Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Providing for conditions for increased inclusion of children with special needs in pre-school education	MLSP MoES, local self- government		Realized progress: * The amendments to the Law on Child Protection from 2019, repealed the groups for children with disabilities and the children are included in the regular educational groups, which provides for an opportunity for their inclusion. By amending the law, the governing body of the kindergarten pays attention and monitors the situation regarding the admission of children with disabilities and their inclusion in the educational groups. An amendment has been made to the law in the area of counselling for children and parents that operate within the kindergartens so that multidisciplinary/inclusive teams can be formed that will work	the Management Boards, for giving priority in	

			available on the national portal EDUINO in the area of preschool education. The manual is intended to promote inclusive practices in preschool institutions in order to provide conditions in which all children will have equal opportunities in the early learning process. *The standards and norms for performing the activity in the kindergartens concenring the standard for equipment and space have been modified, which entitled the children with disabilities to an adapted space.		
b/ Improving the	MoES	2019-2022	Status: Fully implemented	Progress:/	
participation of pupils with disabilities in the			Realized progress:	Future steps:	
regular (mainstream) primary education	BDE, MLSP, MH		regular schools.	* In the future, it is planned to conduct trainings for the teaching staff from the primary schools for the inclusive education, but also specialized trainings for the staff that will work in the primary schools with resource centres.	
			1. Concept for inclusive education (explains the roles of a school inclusive team, inclusive student team, stakeholders in inclusive education and their role, types of support for students with disabilities, the structure of the individual education plan and modified program, etc.)	* Improving the capacities (material and human) in primary schools, primary schools with resource centres, learning support centres in order to improve the quality of inclusive education.	
			2. Guidelines for how to work between primary schools with a resource centre, learning support centres and other primary schools		
			3. Rulebook on the norm, the description of the competencies and the work tasks for the educational and personal assistant		
			4. Rulebook on the manner of requesting an educational/personal assistant and the manner of selection of an educational/personal assistant		
			5. Rulebook on the manner of assessment of students with disabilities		
			6. Decision for regionalization for cooperation of the municipal primary schools with the primary schools with a resource centre and/or the centres for support of the learning of the students with disabilities.		
			In the context of inclusive education, a revised version of the School Inclusive Team Work Guide was made in accordance with the new legal changes. BDE and practitioners conducted		

trainings for inclusive education (three days) which cover the primary schools in Skopje. The trainings are conducted within each school, the amendments to the Law on Primary				
Education, the Guide for work of a school inclusive team and the best inclusive practices are presented.				
Inclusive teams are formed by the schools and individual educational plans are prepared for the students in need.				
* During 2019 and 2020, the newly formed National Professional Body worked intensively, according to the new model of assessment for additional educational, health and social support of a child or young person, based on the international classification of functioning - ICF.				
* In the academic year 2019/2020 and 2020/2021, educational and personal assistants for students with disabilities are engaged, included in regular schools in cooperation with UNDP. From the academic year 2021/22, the budget of the Ministry of Education and Science provides funds for hiring personal and educational assistants for children with disabilities in accordance with the recommendation given by the Expert Assessment Body according to the International Classification of Functioning, Disability and Health.				
* With the new Law on Primary Education, it is envisaged that the existing state primary schools for students with special educational needs will continue to operate as primary schools with resource centres, and the existing special classes at primary schools will continue to operate as learning support centres for students with disabilities. It is also envisaged that the existing state primary schools for students with special educational needs to enrol students until the school year 2022/2023.				
The process of transformation of the special primary schools into primary schools with a resource centre has started, i.e. changes are being made in the statutes of the schools and a functional analysis is being made for the systematization of jobs according to the new organization of these schools. The process of transformation of special classes into centres for support of learning of children with disabilities is also underway.				
* To increase inclusiveness in education, the MES is working on two programs with the EU Delegation. With the first, 12				
			educational facilities, 4 each from primary, secondary and higher education, will be reconstructed and will receive access ramps and accessibility to the premises. Also, within the program "Be IN, be INClusive, be INCluded", 287 scholarships were awarded to children with disabilities who are included in regular education, for first and second grade, in order to support families and students with the basic materials they need.	
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c/ Increasing the coverage and inclusion of students with disabilities in secondary education	MoES MLSP, BDE, municipalities, secondary schools	2020-2022	Status: Partially implemented Realized progress: *A Working Group has been established that works on a new Law on Secondary Education, which, among other things, will have provisions for increasing the coverage and inclusion of students with disabilities in secondary education (following the example of the Law on Primary Education). * In the academic year 2020/2021, 297 students with disabilities are included in the so-called regular high schools, while in the special high schools for students with disabilities a total of 234 students are included. For students involved in the so-called regular high schools, inclusive teams are formed that develop individual curricula. * Every year, the Ministry of Education and Science announces a competition for scholarships for students, which awards 100 scholarships for students with disabilities who study in secondary education.	
d/ Improving the accessibility and availability of tertiary education for students with disabilities	<b>MoES</b> Universities	2020-2022	Status: Partially implemented Realized progress: *One of the competencies of the National Council for Higher Education, according to the Law on Higher Education is to propose a decree that regulates the right of persons with disabilities and other persons to be exempted from tuition fees, which was adopted by the Government. * The Ministry of Education and Science, with the support of the EU, is implementing projects whereby 12 educational facilities, 4 from primary, secondary and higher education, respectively will be reconstructed and equipped with access ramps and accessibility to the premises. The activities for the project started in 2020 (detailed project design has been prepared).	<ul> <li>Problems: The National Council for Higher Education has not been established yet.</li> <li>Future steps:</li> <li>*Adoption of the decree in accordance with the Law on Higher Education</li> <li>* Establishment of the National Council (note: in March 2021, members were nominated by the Government and prposed to the Assembly which should establish the National Council in accordance to the Law)</li> <li>* Announcing a tender for selection of construction companies and supervision of construction for implementation of the Project for accessibility of four higher education</li> </ul>

			institutions.	
d / Improving the opportunities and expanding the range of learning programs for adults with disabilities	ЦОВ, providers of non-formal education	*During 2020 having in mind the situation with the Covid-19 pandemic, the number of requests submitted to the Centre for Adult Education by providers of non-formal education has decreased, and no new request has been submitted for verification of an adult learning program for adults with disabilities. At the beginning of 2021, a consultative meeting		

**3.2.1.3.** Objective: improving the contents and quality of education by strengthening the capacities of human resources (capacities of schools and the teaching staff)

Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Improving the learning environment, including learning contents, methods and techniques in view of ensuring individual approach to teaching	MoES BDE, NAEEPM, municipalities, schools, universities		The activities are ongoing. Realized progress: *In 2020, a Working Group was formed to prepare a new Concept for primary education, which drafted a National Concept. The draft National Concept during the months of November - December 2020 and January-February 2021, underwent a process of wide consultation with all stakeholders, after which it was formally adopted on March	<ul> <li>Problems: Delaying the process of adopting the new Concept for primary education</li> <li>Future steps:</li> <li>* Full successive implementation of the new Concept for primary education, based on which new curricula will be developed.</li> <li>* Conducting trainings for teachers.</li> <li>* Adoption of the Law on Textbooks, Teaching and Didactic Materials in Primary and Secondary Education</li> </ul>	1.242.774€

b/ Improvement of working/learning conditions in the	MoES 2020-202	<ul> <li>curricula from first to fifth grade in primary education.</li> <li>* A new draft legal solution for the use of textbooks and other teaching and didactic materials in primary and secondary schools has been prepared.</li> <li>* The legal provision for successive reduction of the number of students in a class in primary education has been implemented (for the first grade students in the academic year 2019/2020, and for the first and second grade students in the academic year 2020/2021) for which consents have been provided for new employment of teaching staff. According to the Plan for teaching in the school year 2020/2021, having in mind the pandemic in the primary schools, the educational process is realized in a group of up to 20 students (in a standard size classroom) and a physical distance between students of at least 1.5 meters, as well as with mandatory observance of the Protocol for teaching with physical presence.</li> <li>According to the Law on Primary Education, the so-called tandem teacher of gym education for the first and second grade of primary education, I.e. in addition to the class teacher, gym is teached by a subject teacher.</li> <li>* In January 2020, the new "Guide for student participation, student organization and protection of children's rights in primary schools" was promoted, in order to facilitate the implementation of the provisions of the new Law on Primary Education relating to student participation and organization (Article 68).</li> </ul>	Problems: Providing appropriate technical documentation	9.437.193€
		Commission (for foreign languages, digital competencies, entrepreneurship), and especially given our education system and knowledge, The skills and attitudes that students should acquire in primary education in our social context, eight areas of national standards in primary education in our country have been identified. They include transversal competencies and/or competencies related to certain subject areas. *Immediately after the adoption of the National Strategy and the national standards, the BDE announced public calls for the establishment of author teams for the development of new		

education			<ul> <li>*During 2020, the reconstruction of 23 schools was completed, and six new schools/facilities are under construction/extension. 12 school sports halls have been completed, and seven school sports halls are under construction.</li> <li>*On 13.11.2020 on the website of the Ministry of Education and Science was published a Public Call for submission of applications (requests) for financing projects for reconstruction of school buildings of primary and secondary schools under the jurisdiction of the municipalities and the City of Skopje with funds from the MES Budget. One of the criteria for choosing a school is accessibility for students with disabilities.</li> <li>* To increase inclusiveness in education, the MES is working on two programs with the EU Delegation. With the first, 12 educational facilities, 4 for primary, secondary and higher education, will be reconstructed and will get access ramps and accessibility to the premises, with EU funds.</li> </ul>	amendments to the detailed urban plan, etc. <b>Future steps:</b> The Investment Programs for 2021 envisage construction/extension of 12 school buildings and reconstruction of 20 schools.	
c/ Strengthening the capacities of human resources in education	MoES BDE, SEC, Faculty of pedagogy, schools, universities	2019-2022	Status:       Partially       implemented         It is being implemented continually.         Realized progress:         * Based on the new Law on Teachers and Professional Associates in Primary and Secondary Schools (adopted in August 2019), during 2020, all bylaws related to the professional and career development of teachers and professional associates were adopted.         Professional development teams have been formed in all primary and secondary schools, in accordance with the Law on Teachers and Associates in Primary and Secondary Schools.         In November, a working group was established to prepare a Catalogue of accredited training programs for the educational staff. During 2020, several trainings for teachers and professional associates (at national level) were conducted. The BDE Learning Management System has three trainings: Inclusive Education Training (developed with the support of UNICEF), Teaching / Training course using different ICT learning tools (developed by BDE and an external provider ) and Training for critical thinking and problem solving (developed within the project "Schools of the 21st Century").	Problems:/ Future steps: *Preparation of a Catalogue of accredited training programs for the educational staff and * Implementation of the system for career development of professional associates in primary education and for teachers and professional associates in secondary education.	107.741€

Professional development teams have been formed in all primary and secondary schools, in accordance with the Law on Teachers and Associates in Primary and Secondary Schools.	
Every year, the Ministry of Education and Science announces a competition for awarding scholarships to full-time students enrolled in undergraduate studies of the first cycle of public and private universities and higher education institutions in the Republic of North Macedonia, including 30 scholarships for students enrolled in the first year of higher education institutions for education of teaching staff in pre-school education, primary and secondary education.	
* The e-system for career development has been developed and launched. At the 35th session held on 29.12.2020, the Government adopted a Decision on approving the Decision on determining the number of teachers in primary schools who can acquire the title of teacher-mentor, for the fiscal year 2021. In January 2021, a public call was published for primary school teachers to submit applications for promotion to the level of teacher-mentor.	

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

Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Strengthening the role of the National Board for the	MoES	2020	Status: Partially Implemented Realized progress:	Problems: / Future steps:	27.870€
Macedonian Qualifications Framework			Possibilities for application of policies for green qualifications, international qualifications, secondary vocational education, and validation of non-formal and experiential learning are considered.	Further active participation in the creation of policies for the qualifications	
b/ Establishing Sectoral Qualifications Committees	MoES	2020	Status: Partially Implemented Realized progress:	Problems: Difficult working conditions due to the pandemic	41.806€
	ME, MLSP, social partners		A Sectoral Committee for Health and Social Protection has	Future steps:	

			been established.	Forming of the remaining Sectoral Committees.	
b/ Adoption and implementation of Guidelines and procedures for quality assurance (QA) in accordance with the recommendations of the European Qualifications Framework (EQF)	MoES BDE, VETC. AEC. National Board for MQF, Sectoral committees, etc.	2020-2022	Status: Fully implemented Realized progress: Procedures and instructions for quality assurance have been adopted, and they have been published on the website mrk.mk	Problems:/ Future steps: /	No fiscal implementation. (twinning projects are used))
c/ Upgrading the NQF information management system (Qualifications Register)	<b>MoES</b> ME, MLSP, social partners	2020-2022	Status: Partially Implemented Realized progress: The IPA project envisages upgrading the NQF system (register of qualifications). A technical specification has been prepared and in accordance with EU procedures, a tender notice/announcement has been published.		16.129€
d/ Raising the awareness of the stakeholders and users on the role and the reform significance of NQF through public events and campaigns	MoES	2019-2020	Status: Partially Implemented Realized progress: Possibilities for content and activities for the communication role of the framework were considered.	Problems: / Future steps: There is a plan to develop and launch strategy and policies for communication of the framework and outlook of qualifications.	No fiscal implications

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

3.2.3.1. Objective: I	3.2.3.1. Objective: Development, modernization and improved attractiveness of VET						
Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent		
1	2	3	4	5	6		
a/ Ensuring greater harmonization of the VET with the needs of	MoES	2019-2022	<b>Status</b> : Partially Implemented The implementation is ongoing	Problems: Inconsistency between enrolment policy and	2.341.709€		
the labour market	BDE, VETC, MLSP, employers/enterprises, other relevant		Realized progress: *Four years vocational education has been reformed. New modularly designed curricula were formally adopted for all	labour market needs Future steps: *Continuous promotion and improvement of			

	institutions, social partners		new qualifications/educational profiles in secondary vocational education based on learning outcomes, expressed with 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 2020/2021, the new curricula for the second year in the secondary vocational schools started to be applied. The curricula for the third and fourth year will be successively introduced in the next two school years. The curricula are developed in collaboration with the business community and reflect the needs of the labour market. * The curricula for dual vocational education have been adopted, for the third year, for the schools in which dual vocational education is implemented. *In the first quarter of 2021, 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 identified the profiles that will be introduce in the secondary vocational schools in the academic year 2021/2022.	harmonize the enrolment policy in secondary vocational schools according to the needs of the labour market	
b/ Establishing modern and effective post-secondary education system	MoES	2019-2022	Realized progress:	Problems:/ Future steps: Regulation of the post-secondary system in the new Law on Vocational Education and Training	No fiscal implications
c/ Measures to improve the attractiveness, learning conditions and quality of VET	MoES BDE, VETC, municipalities, VET schools	2019-2020	Status: Partially implemented The implementation is ongoing Realized progress: *In order to better acquaint students who complete primary education with the types of professions and educational profiles available to them when choosing a high school where they will continue the educational process, the Centre for Vocational Education and Training with the support of the project E4E - Education for employment in North Macedonia, prepared a "Guide through the qualifications in vocational	Problems:/ Future steps: Implementing the promotional campaign "Learn smart, work professionally" and organizing meetings with companies to open required profiles in vocational schools. Through social dialogue with companies and the business community at the local level, the Ministry of Education and Science together with the municipalities shall identify the profiles that will be introduce in the secondary vocational schools	No fiscal implications

			Education and Science, VETC and BDE.	in the academic year 2022/2023	
			* The standards for space and equipment for the eight qualifications that will be trained in the three regional centres, prepared by the VET cenetr, have been adopted. Decisions were made by the Government of the RNM with which three secondary vocational schools were transformed and continue to operate as Regional Centres for Vocational Education and Training from 1.1.2021.		
d/ Implementation of the Concept of work- based learning	<b>MoES</b> VETC, VET schools, employers, chambers	2020	Realized progress: *By the Minister of Education and Science with Decision no. 08-4305 2 from 13.4.2020, at the proposal of the VET, a	Problems: The concept of work-based learning was adopted at the time of the outbreak of the Covid-19 pandemic, due to which teaching with physical presence in all high schools was suspended and was organized through the distance learning system, which meant adaptation of the mechanisms of work-based learning, including through development of special protocols Future steps: Adoption of a new Law on Vocational Education and Science, which will incorporate provisions of the Concept for work-based learning and	
			of coordinator for work-based learning)	adoption of a new formula for financing vocational education (taking into account work- based learning)	
e/ Establishing Regional Vocational Education and Training Centres	<b>MoES</b> VETC, AEC, employers	2019-2022	Status: Partially implemented The implementation is ongoing Realized progress: The Government of the RNM adopted Decisions which transformed three secondary vocational schools into Regional Centres for Vocational Education and Training starting from 1.1.2021. The standards for space and equipment for the eight qualifications that will be trained in the three regional centres, were adopted as prepared by the VET center,. Procedures for reconstruction of the three regional centres have been initiated.	Problems:/ Future steps: Reconstruction of the three regional centres and strengthening of their capacities	3.225€

Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Raising the awareness about the importance, opportunities and inclusion in non-formal education (NE) and adult education (AE) and enhancement of the knowledge, skills and competencies of adults	MoES AEC, MLSP, training providers	2020	Status: Partially implemented The implementation is ongoing Realized progress During 2020, a new Law on Adult Education was drafted, which was adopted by the Government in January 2021 and was submitted to the Parliament for its adoption. The law completely improves the system of non-formal education of adults, and regulates the system of validation of knowledge, skills and competencies acquired through non-formal education.		No fiscal implementatio
b/ Improving the efficiency, contents and quality of non-formal and adult education and increasing the number of NE and AE providers	AEC MoES, MLSP, providers of non-formal education	2019-2022	Status: Partially implemented It is implemented continuously Realized progress: The activities were carried out continuously, and commissions for verification of programs and institutions and institutions for adult education were formed on the basis of received requests, but with reduced intensity due to the pandemic.	Problems:/ Future steps:	233.065€

## SOCIAL INCLUSION AND SOCIAL PROTECTION

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

Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Improving the adequacy and increasing the coverage of users by the social	MLSP	2022	Status: Fully implemented Realized progress:	Problems: / Future steps:	103.157.000
protection system	SWC		The Government of the Republic of North Macedonia in April 2020 amended the Decree with legal force for application of the	Monitoring the application of the Law on Social Protection and providing professional assistance to the centres for social work in its implementation.	

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

b/ Ensuring the social security for persons aged 65 and above at risk of poverty	MLSP	2022	Status: Fully implemented Realized progress:	Problems:/	The funds are presented under 3.3.1.1
	SWC		The Law on Social Security for the Elderly applies. In December 2020, 8,573 elderly people over the age of 65 who could not provide for living on other grounds claimed the right to social security, compared to 7,294 beneficiaries of this right in February 2020 (increasing coverage by 18% in less than a year).	Future steps: Monitoring the implementation of the Law and providing professional assistance to the centres for social work in its implementation.	
			As part of the fourth package of economic measures, a one-time support was paid (payment vouchers to citizens for higher consumption and development of domestic economic activities) of 6,000 denars to low-income citizens, including pensioners who receive up to 15,000 denars of pension and beneficiaries of the right to social security of the elderly.		
c/ Improving the adequacy	MLSP	2022	Status: Fully implemented	Problems:/	68.250.000€
and increasing the coverage of children by the child			Realized progress:	Future steps:	
protection system	SWC		The amendments to the Law on Child Protection enabled access to the rights to child allowance and to children from low-income households / families and recipients of guaranteed minimum assistance. This law also regulates the right to an education allowance, for children from primary and secondary education from low-income families and for children of beneficiaries of guaranteed minimum assistance. In 2020, the number of children beneficiaries of child allowance increased by 12% and the number of beneficiaries of educational allowance increased by 178% (mainly due to the expansion of this right for children in primary education).		
			Following the outbreak of the pandemic, governmental measures to retain jobs, relaxed criteria for guaranteed minimum assistance and one-time financial support tended to distribute a proportionately larger share of funds in households with children. For example, over 40% of new GMA beneficiaries were households with children, mostly of Albanian and Roma ethnic origin.		

d/ Improving the cooperation between institutions responsible for	ESARNM	2022	Status: Partially implemented Realized progress:	Problems: Presented in the activity 3.1.1.2.6/	
implementation of labour market activation measures and provision of social protection	SWC, MLSP, CSO, service providers		The information for introduction of the activation in accordance with the Rulebook on the manner of cooperation for inclusion of the beneficiary of guaranteed minimum assistance in the active employment measures, as well as the form and content of the form on the individual plan are provided within the activity 3.1.1.2.b /. The adaptation of the software solution of the Employment Agency and the Ministry of Labour and Social Policy is in progress, which will enable the exchange of data in real time and joint preparation of an individual plan for the most easily employable member of the household.	Future steps: * In 2021 and 2022, the implementation, monitoring and evaluation of the activities for activation of the beneficiaries of the minimum guaranteed assistance in the labour market will continue. * Improving the cooperation between the professionals in the centres for social work and the employment centres in order to prepare individual plans for the beneficiaries of GMA and their inclusion in the labour market.	

#### **3.3.2. IMPROVING THE AVAILABILITY OF SOCIAL SERVICES**

3.3.2.1. Objective: Development and improvement of social services and inclusion of various stakeholders in high - quality and efficient service provision						
Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent	
1	2	3	4	5	6	
a/ Creation of a legal framework conducive to delivery of social services by various providers	MLSP	2022	The activities envisioned for 2020 are realized. Realized progress:	<ul> <li>Problems:/</li> <li>Future steps:</li> <li>* Improving the legal framework for providing social services to various providers,</li> <li>* Improving the monitoring system and quality of social services (a multiannual process),</li> <li>* Digitalization of the process of submitting an application for licensing of services,</li> <li>* Development of integrated software for social benefits and social services.</li> </ul>		

			licensing of social service providers and a Commission for providing funds for social services from the municipalities and other providers have been established. By December 2020, a total of 20 social service providers were licensed. * The steps taken for the development of the social services monitoring system, which is important for the continuous improvement of the social services and the guarantee of the quality of the services, are reported in section 3.3.1 b /	
b/ Provision of financial and technical support for development of social services	MLSP	2022	<ul> <li>Status: Fully implemented</li> <li>The activities envisioned for 2020 have been realized.</li> <li>Realized progress: <ul> <li>Realized progress:</li> <li>Regarding the delivery of social services by licensed providers in 2020 and 2021, funds were awarded through a public call to five authorized providers for provision of social services.</li> <li>At the public call for financing projects for development of social services to the municipalities and the municipalities in the city of 26 municipalities are involved in these 19 projects. A total of 26 municipalities are involved in these 19 projects. A total of 26 municipalities, day care centre for children with disabilities, day care centre for the elderly, rehabilitation of people with disabilities, living with support for women victims of violence and early intervention for new services are provided by a World Bank loan to improve social services. In ten taul planned number of users (total capacity) of all newly created services, in ten municipalities (in cooperation with the EU project for technical assistance to the deinstitutionalization).</li> <li>*A manual for strengthening the capacities for social protection with the EU project for technical assistance to the deinstitutionalization).</li> <li>*A manual for strengthening the capacities for social protection (with the support of UNDP) have been prepared. Eight informative meetings of the planning regions.</li> </ul> </li> </ul>	by agreement, of which paid: € 209,000 (World Bank Ioan) Budget of the RNM € 25,000

#### **3.3.3. SUPPORT TO AND PROMOTION OF DEINSTITUTIONALIZATION**

Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Completion of the transformation of residential social institutions into providers of modern social services	MLSP the six residential social institutions		<ul> <li>Status: Partially implemented</li> <li>The activity continues to be implemented in 2021.</li> <li>Realized progress:</li> <li>*The preparations for opening of the first two centres for support of foster families in Skopje and Bitola are in the final phase (reconstruction of the necessary premises in the former residential social institutions for children, procurement of furniture, training of trainers, prepared professional materials and internal documents - systematization, work program, etc.).</li> <li>* The preparations for the opening of the first centre for family care (respite care) in a completely reconstructed separate building at the current Special Institution Demir Kapija are in the final phase. Adopted rulebook for the new service. Internal preparations are underway.</li> <li>* The preparations for opening a new day care centre for 24 children and youth with intellectual disability aged 14 to 26 at the Institute for Rehabilitation of Children and Youth Skopje - Topansko Pole are in the final phase.</li> <li>* In cooperation with the Delegation of the European Union, the process of planning a thorough reconstruction of the Institute for Rehabilitation of Children and Youth Skopje - Topansko Pole was started to grow into a modern centre for daily services for children and persons with disabilities, including day services (centres), living with support, professional rehabilitation, etc.</li> <li>* Residential home use has been disrupted by a Covid-19 pandemic. In 2020, three projects started in cooperation with and funded by the European Union, which are expected to result in resettlement of allogabilities who currently live in residential homes, primarily from the Special Institution Demir Kapija until mid-2022. At the end of 2020, the preparations for resettlement of 8 beneficiaries - persons with intellectual disability from the Special</li> </ul>	actors involved. Contacts with the institutions involved are reduced to online and telephone communication to reduce the possibility of the virus spreading among employees and users of the institutions. <b>Future steps:</b> *Opening of the centres for support of foster families in Skopje and Bitola in the second half of the year. * Opening of the family care centre in Demir Kapija. * Opening of a new day centre for 24 children and youth with intellectual disabilities aged 14 to 26 at the Institute for Rehabilitation of Children and Youth Skopje - Topansko Pole (March 2021). [Note: The activity was realized at the time of preparation of this report] * Preparation of a detailed plan, including a detailed design for a reconstruction of the Institute for Rehabilitation of Children and Youth Skopje - Topansko Pole. * Resettlement of 8 beneficiaries - persons with intellectual disabilities from the Special Institution Demir Kapija to two newly established residential units with supported	<b>351.100€</b> 85.000€ Budget of the RNM: 212,100€ UNICEF 54.000€

3.3.3.1. Objective: Strengthening the deinstitutionalization proce

			with supported living in Demir Kapija and Negotino were completed.	during the preparation of this report] * Creating conditions for resettlement of 100 beneficiaries from the Special Institution in Demir Kapija to supported living (with EU support)	
b/ Development of new social services in accordance with the new Law on Social Protection	MLSP	2022	Realized progress: * Prepared and adopted ten social protection action plans, with a focus on social services, in ten municipalities (in cooperation with the EU project Technical assistance to deinstitutionalization). * Adopted methodology for calculations of the cost of social	<ul> <li>*Capacity building trainings for current and potential social service providers, including municipalities. The training plan includes conducting online trainings.</li> <li>* New call for technical and financial support to the municipalities for establishing and licensing social services.</li> <li>* Adoption of the document-plan for establishing a system for monitoring and</li> </ul>	220.000€ (IPA)
c/ Start of the deinstitutionalization of	MLSP	2022	Status: Not implemented	Problems:/	
institutions for people with mental health difficulties	MH, SWC, LSU, NGOs			Future steps: This is the second phase in the deinstitutionalization process: according to the National Strategy for Deinstitutionalization 2018-2027, deinstitutionalization of institutions	

### 3.3.4. PROMOTION OF SOCIAL INCLUSION OF ROMA

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

Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Improving the employment opportunities and reducing unemployment within the Roma community and increasing participation of Roma in different active employment programmes and measures	MLSP MoES, ESARNM, SWC, local self- government, RIC, NGOs, CPD, international organizations		The activities envisaged for 2020 in the Operational Plan for active employment programs and measures and labour market services are fully implemented; The activity continues to be implemented in 2021. <b>Realized progress:</b> ESARNM implemented the activities for improving the employment opportunities and employability of the unemployed Roma, through their inclusion in the active programs and measures for employment and the services from the Operational Plan for active employment programs and measures and labour market services for 2020. 431 people are involved in several active employment measures from the following programs: Support for self-employment, Support for job creation, Trainings, Internship and Employment Program. Unemployed people received individual support through employment services that aimed to inform, advice, motivate, and acquire skills to strengthen their employability and successful inclusion in the labour market and employment. 6,539 people are involved in the services: Job Search Assistance, Activation of unemployed Roma and other persons at risk of social exclusion (conducted by UNDP in cooperation with employment centres, see under 3.1.1.2. B /),	Due to the situation with Covid-19, certain types of services in the past period were realized with a reduced volume because they could not be implemented in the way provided (for example, group activities within several types of services, etc.). The activities of the employment centres were focused on services that were implemented with an individual approach <b>Future steps:</b> *ESARNM activities to increase employment opportunities for Roma continue with the implementation of the Operational Plan for active employment programs and measures and labour market services for 2021. * Activation of unemployed Roma and other persons at risk of social exclusion continues	

			employment of the submitted request by the employers, informing and counselling through visits and individual contacts with the employers in the employment centres. Unemployed Roma were also included in the Youth Guarantee (1,530 young unemployed Roma).	
b/ Implementing measures to raise the education level of Roma population and their inclusion at all levels of education	MoES MLSP, BDE, AEC, VETC, local self- government, RIC, NGOS, CPD, REF, international organizations	2022	Status: Partially implemented         It is being implemented continually         Realized progress:         * The Law on Primary Education (from August 2019) envisages hiring educational mediators for Roma students and exemption from costs for equivalence of certificates of vulnerable groups of citizens. The children who do not attend classes, but are over the mandatory school age are enrolled by a commission formed by the school principal. Unregistered and unjustifiably absent students are reported to the State Education Inspectorate.         In order to improve the access to education of children who did not attend classes, during 2020 the following acts were adopted:         - Concept for inclusive education (which also applies to older students who are out of the education system)         - Rulebook on the form and content of the certificate of application form - for exemption of costs for beneficiaries of guaranteed minimum assistance         - Program for providing tutoring to primary school students         - Rulebook on the form and content of the certificate with which the child, after a check, is enrolled in the appropriate grade of primary education, for children who did not attend classes, and are over mandatory school age         - Instruments for checking the knowledge of children who have not been included in teaching, and are over the mandatory school age         - Rulebook on the manner of enrolment of children who are not	<ul> <li>Problems:</li> <li>* In 2020, distance learning was a challenge, due to the lack of appropriate conditions for its implementation (ICT, Internet, etc.), in a certain part of the vulnerable categories of families. The plan for realization of the teaching in the primary and secondary schools states that for these children the school provides printed materials that are taken over by the parents or with the approval of the Government they realized teaching for these children.</li> <li>* Due to the pandemic caused by the Covid-19 virus, and the new mode of operation of kindergartens (with reduced capacity and priority and with the priority of employers), the inclusion of children in preschool education took place at a slower pace.</li> <li>Future steps:</li> <li>* Continuous work and increase of the number of Roma educational mediators in primary education, in order to increase the coverage of Roma children in primary education, reduce the number of students leaving school, reduce the number of Roma students enrolled in schools for children with special needs, strengthening the ties of the Roma community and parents with the school, through the fight against social exclusion (desegregation and discrimination)</li> </ul>
			<ul> <li>included in teaching, and are over the over the mandatory school age</li> <li>Customized curricula that will enable inclusion in an appropriate grade of primary education, for children who do not attend classes, and are over the mandatory school age</li> <li>* In July 2020, the Memorandum for data exchange at national and local level for identification of school-age children was signed</li> </ul>	and respect for differences and by promoting intercultural education. * The mentoring/tutoring support of Roma high school students receiving scholarships returns to secondary education and the number of scholarships for Roma high school students is

by the Ministry of Education, MLSP, MoI, MLS, SEI and the Registry Office, which will be applied by the school 2021/2022.	increasing year by year.
* Every year, the Ministry of Education and Science announces a competition for awarding scholarships for students in secondary education, including at least 400 scholarships for social support of students (544 scholarships were awarded in 2020), 100 scholarships for children with special needs and 50 scholarships for students - orphans.	
* The number of scholarships awarded in secondary education to Roma high school students in five categories has increased from 800 to 900. At the same time, the number of Roma students in special secondary schools has decreased, as evidenced by the fourth category of scholarships intended for them. Within the academic year 2019/20 the number of awarded scholarships was 7, and within the academic year 2020/21 that number is only 1.	
In 2020 compared to 2019, the number of mediators for Roma students in primary education has increased as well the number of municipalities where they are available, from 30 to 35 mediators and from 23 to 26 municipalities.	
*Two projects for inclusion of students from marginalized groups, primarily Roma students, continued to be implemented: The project "Inclusion of out-of-school children in the education system", implemented by the Macedonian Centre for Civic Education with support from the MES, Bureau for Development of Education, the Directorate for Development and Promotion of Languages in the Education for the Minority Communities and the State Education Inspectorate and is supported by the Pestalozzi Foundation, which covers 12 municipalities and 18 schools as well as the Project "Stay@School: Action for Inclusion of Roma in Elementary Education", implemented by the Foundation Open Society - Macedonia, together with its partners, and funded by the European Union.	
* As part of the set goals of the National Strategy for Roma, the inclusion of Roma children is systemically addressed by the inclusion of local self-government units, where Roma children at social risk are involved in preschool education with exemption from participation in the costs in public kindergartens.	
In the school year 2020/2021 at the national level a total of 29,660 children aged 0-6 years are enrolled in kindergartens (until March 2021) , of which 347 children or 1.16% are Roma children.	

			Out of the total number of Roma children included in kindergartens, a total of 90 Roma children or 26% are exempted from co-payment. By the end of 2020, a total of 20 municipalities have accepted the recommendation for exemption from participation of Roma children at social risk. The Municipality of Stip is the only municipality that for the third school year in a row does not implement the recommendation of the Government for exemption from participation of Roma children in social risk.			
c/ Improving the quality of	MTC in	2022	Status: Partially implemented	Problems:	258.000€	2
housing of the Roma community and the infrastructure in communities with prevalent Roma population	cooperation with the MLSP MTC in cooperation with Joint Stock Company for Construction and Management of Residential and Commercial Properties of Significance for the Country Habitat Macedonia, Horizonti and AREC LSU		<ul> <li>Realized progress:</li> <li>* Regarding the measures for providing improved living conditions for Roma families by investing in communal and infrastructure projects in municipalities and places with a significant percentage of Roma population, the Government of the RNM adopted a Decision, which allocated funds to the municipality of Kochani for communal infrastructure and capital projects.</li> <li>* The implementation of the project for housing of socially vulnerable groups F/P 1674 continued, i.e. construction of apartments intended for persons at social risk and other vulnerable groups that are unsecured. So far, 18 buildings with 842 apartments have been built in 16 cities on the territory of the Republic of North Macedonia. In 2020, the construction of six buildings with 173 apartments started, and the construction of three buildings so far distributed and leased are 722 apartments in 15 cities on the territory of the Republic of North Macedonia.</li> <li>In 2020, a new Decision was adopted for distribution and conditions for use of social houses, built according to the Program for construction, sale and maintenance of houses owned by the</li> </ul>	<ul> <li>The pandemic has negatively affected the dynamics of social housing projects.</li> <li>Future steps:</li> <li>* Preparation of interventions in the Law on Housing in the area of improving access to social housing</li> <li>* In 2021 it is planned to start construction of six buildings with 280 apartments within the Housing Project for socially vulnerable groups F/P 1674</li> <li>* The implementation of four EU-funded projects which will support legalization of the houses of 700 Roma households in Prilep, in the settlement Trisla, legalisation of properties of 5,000 Roma in the settlement Bair in Bitola, legalisation of 1,027 house in Stip and 40 houses in Berovo. It includes the construction of new dwellings, 50 houses in Stip, 30 apartments in Kicevo, and at the same time there will be reconstruction of 50 houses in Prilep and 15 houses in Berovo".</li> </ul>	Budget of t RNM (transfer the municipality of Kochani)	the to y
			* The two projects for improving the housing conditions in Shuto Orizari, Veles and Vinica were implemented with reduced			

		intensity.		
d/ Continued improvement of the health status and access to healthcare for Roma	MH HIFNM, Healthcare centres, Public Health Institute of RM, MLSP, SWC, local self- government, RIC, NGOs	Realized progress: Due to the pandemic, Roma health mediators provided only those	Problems: The Covid-19 pandemic prevented full implementation of field activities Future steps:	53.226€

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

3.3.5.1. Objective: Strengthening the financial sustainability of the pension system and enhancement of efficiency in the exercise of pension and disability insurance rights							
Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent		
1	2	3	4	4 5			
a/ Further improvement of the financial sustainability of the pension system	PDIFNM	continuously	Status: Fully implemented Realized progress:	Problems:/ Future steps: Continuously in accordance with	Budget of PDIFNM		
	MLSP, MAPAS		The Government of the Republic of North Macedonia adopted a Decision on additional adjustment of pensions for 2020, calculated from January 1, 2020 in the amount of 5% of the total amount for payment of pensions for January 2020, i.e. pensions as of December 2019 were adjusted in the amount of 722 denars, and calculated from the period from July 1, 2020, the pensions were adjusted by 0.6%.	legal provisions			

b/ Improving the quality of services in the administration of social	MLSP	2022	Status: Partially implemented Realized progress:	Problems:/ Future steps:	33.000€
insurance, including improved accuracy of data in the records of compulsory social insurance holders	MF MH PRO ARNM PDIFNM HIFNM		* In 2020, the implementation of the Social Insurance Administration Project (SIAP) started, which is realized with a loan and support from the International Bank for Reconstruction and Development - World Bank. The project is intended to improve the quality of services in the administration of social security and to improve the legal framework, which regulates issues related to persons with disabilities and jobs with increased length of insurance (extended service period). In the reporting period, preparatory activities for design and establishment of the Single Unified Registry System (SURS) started. * Preparatory activities for consolidation of PDIF data regarding the contributions of the insured persons are in progress (M4 reports).	*Design, development and implementation of the Single Unified Registry System (SURS) and preparation of the necessary legal amendments * To improve and modernize the business processes in the PDIF, a functional analysis and proposal for modernization of the Fund will be prepared, including redesign of business processes and customer service, strengthening the technical and actuarial capacity, training for human resources. There will also be a campaign to inform and educate the public about pension reform.	
c/ Facilitation of the access	MLSP		Status: Partially implemented	Problems:/	
to rights on the grounds of disability or	MF		Realized progress:	Future steps:	
temporary/permanent incapacity to work	MH PRO ARNM PDIFNM HIFNM		The analysis was made within the project for administration of social insurance, which showed that it is necessary to make changes in the way of allocating funds from the Special Fund for Employment of Persons with Disabilities, to introduce a basis for allocating funds for vocational rehabilitation and to encourage employers to employ (persons with disabilities) in the open labour market, and not only in protective companies.	* Preparations for establishing a centralized system for assessment of disability, i.e. ability to work and Central Disability Certification Coordination Unit (design and development of business processes, monitoring and evaluation system, licensing, supervision, control, detailed investment plan and draft legal solutions); development of a unified methodology for assessment of disability	
				* Reforming the employment system of persons with disabilities - development of business processes in the National Register of Persons with Disabilities	
				* Revision of the list of dangerous occupations with extended period of insurance/service.	
3.3.5.2. Objective: Main	taining the ad	equacy of th	e pension benefits and protecting the standard of livi	ng of pension beneficiaries	
Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spe
1	2	3	4	5	6

a/ Ensuring the social I security of pensioners	MLSP continuously	Status: Fully implemented	Problems:/	
security of pensioners through measures to protect and improve the social standard of this category of citizen		The pension system is stable and sustainable, which means	Future steps: * The practice of early payment of pensions will be continued * Appropriate measures will be continuously taken to ensure social security of pensioners	

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

5.5.0.1. Objective. Impit	oving the acce		care for an entrens, conditions in the health system an	a the quality of health care services	
Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent

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

1	2	3	4	5	6
a/ Continuation of the measures for construction, upgrading and reconstruction of public health facilities	MH	2022	Regarding the new situation, the Ministry of Health conducted a series of activities to increase and improve the conditions for treatment of infectious patients and set up a modular assembly hospital with a triage centre within the PHI University Clinic for Infectious and Febrile Conditions as well as a prefabricated modular facility for the needs of outpatient activities for PHI University Clinic of Pulmonology; In 2020, the installation of 16 prefabricated modular centres for the treatment of Covid-19 began throughout the country, which increased the total capacity of bealth services to citizens.	faced delays and extension of deadlines for implementation. <b>Future steps:</b> * Full implementation of the started projects (CH Stip, General Hospital Strumica, UK St. Naum Ohridski, Special Hospital St. Erasmus), continuation of the construction of the General Hospital Kicevo second phase,	2.838.482€ (realized 57% of the total budget of all accounts and programs)

			internal clinics and surgery has been performed.	location in Gjorche Petrov.	
b/ Improving the access to health care for specific vulnerable groups – pregnant women and infants, elderly over 62 years of age, Roma and other	MH	2022	Status: Fully implemented Realized progress: Free examinations and laboratory examinations during pregnancy, related to pregnancy, free childbirth for pregnant women, who are out of the system of compulsory health insurance and persons without identification document.	Problems: The condition with Covid-19 affected the availability of health care. Future steps: The activity according to the program is planned for 2021, while from 2022 the implementation of the IPA 3 project for promotion of perinatal health is expected.	10.697€
c/ Improving and upgrading the established integrated health care information system "My term"	MH	2022	<ul> <li>Status: Fully implemented</li> <li>Realized progress:</li> <li>The information system is upgraded with the following modules:</li> <li>E-prescriptions for patients with chronic diseases</li> <li>Integrated telemedicine module for doctor-patient consultation and doctor-doctor consultation</li> <li>E-immunization module (records and monitoring of regular and Covid-19 immunization)</li> <li>Register for health workers and media equipment</li> <li>E-Register of Covid-19 positive patients (integration of laboratory results, reservation of patients for Covid-19 tests, monitoring of positive patients for home treatment)</li> <li>Training website: obuki.zdravstvo.gov.mk (specific training modules for Covid-19, mental health, etc.)</li> <li>Cancer Register</li> </ul>	Problems:/ Future steps: Integration of the IT systems of the Ministry of Health and the Health Insurance Fund, for defining ERP standards and preparation of a basic ERP solution for all health institutions, as well as defining and developing standards for national laboratory system (LIS). (will be supported by a project from the EU IPA 3 program)	
d/ Improving the system for prevention and control of communicable diseases	M3	2022	Status: Partially implemented         Realized progress:         * The following activities have been fully implemented:         • Establishment of a Centre for epidemiological monitoring and health crisis management for 24/7 monitoring of the situation	<b>Problems:</b> All planned activities, as well as started and unfinished projects, have been temporarily postponed due to the Covid-19 pandemic and public health efforts to deal with it. Routine activities and tasks were implemented with	

<ul> <li>with Covid-19, providing real-time information in two directions to the public health authority and the database, preparation of daily and weekly information, providing expert assistance and advice, risk assessment)</li> <li>Analysis of all available data and sharing with reference institutions (WHO, European Centre for Disease Control and Prevention) according to established procedures</li> <li>The development of an operating system for electronic reporting of infectious diseases, as well as an ALERT system for syndrome surveillance in real time is in the final phase.</li> </ul>	<ul> <li>difficulties and low-intensity.</li> <li>Future steps:</li> <li>* Improving the data management for Covid- 19 in cooperation with the Electronic Health Administration in the part of the integrated health information system "My Appointment".</li> <li>*Also, undertaking activities for introducing yhe electronic reporting of infectious diseases and ALERT system in the legislation, finalizing the electronic system in cooperation with "My Appointment" and educating the health workers for its proper use, which will make the system fully functional.</li> </ul>
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### **3.3.6.2.** Objective: Improving the expertise and competence of the health-care workers

Activity	Responsible institution	Time frame	Progress	Problems and future steps	Funds spent
1	2	3	4	5	6
a/ Increasing the quotas for public funded specializations	MH (Healthcare institutions, medical universities)		<b>Realized progress:</b> Provided opportunities to improve expertise and competencies by awarding specializations/subspecialisations to employees in public health institutions.	Problems:/ Future steps: The awarding of specializations/subspecialisations for the employees in the public health institutions continues, in accordance with the Program for the needs of specialist and subspecialist staff.	

b/ Providing funding to co- finance specialization, i.e.	MH	2022	Status: Fully implemented	Problems:/	83.304€
subspecialisations of health			Realized progress:	Future steps:	
workers employed at private health institutions, other legal entities and unemployed			Provided funds and keeping records of a total of 152 doctors of co-financed private specialization, of which 120 at the University "Cyril and Methodius" - Skopje and 32 at the University "Goce Delchev" - Stip.	The payment of the regular trainees who are on co-financed private specialization continues. Funds are provided in 2021.	
			Of them in 2020:		
			- 39 doctors have completed specialization in various fields of medicine and the costs are adequately fully covered in accordance with the agreements for regulation of mutual rights and obligations between the Ministry of Health and the Medical Faculty of the University "Ss. Cyril and Methodius "- Skopje;		
			- two doctors have completed specialization and got fully covered costs in accordance with the agreements for regulation of mutual rights and obligations between the Ministry of Health and the University "Goce Delchev" - Stip.		

### ANNEX 2 – MONITORING THE ERSP INDICATOR MATRIX AND TARGET VALUES

LABOUR MARKET AND EMPLOYMENT									
Indicator	2018	2019	2020	2022					
Employment rate (15+) (%)	45,1	47,3	47,2	48,5					
Employment rate (15+) – MEN (%)	54,4	56,6	55,9	58,7					
Employment rate (15+) – WOMEN (%)	35,8	38,1	38,4	39,0					
Youth employment rate (15-29) (%)	30,9	34,4	33,5 <sup>×</sup>	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	59,8
Employment rate (20 - 64) – MEN (%)	66,6	69,7	68,9	70,4
Employment rate (20 - 64) – WOMEN (%)	45,2	48,4	49,0	48,9
Unemployment rate (15+) (%)	20,7	17,3	16,4 <sup>xi</sup>	14,0
Youth unemployment rate (15-29) (%)	37,0	30,5	<b>29,6</b> <sup>xii</sup>	30,5
Long-term unemployment rate (%)	15,5	13,1	<b>12,4</b> <sup>xiii</sup>	11,0
Rate of youth neither in employment nor in education or training (NEET, 15-29)	29,8	24,5	26,2 <sup>xiv</sup>	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	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	min. 30%
All young persons registered for the first time in ESARM, are being profiled early , i.e. during the first 6 months of their unemployment period	V	v	v	V
Number of youth involved (registered) in the Youth Guarantee	:	20.302	25.502 (12.863 women)	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 other active measure)	:	35%	35%	min. 30%

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	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 %	>60%

#### **3.1.2. TACKLING INFORMAL EMPLOYMENT**

Share of informal employment in total employment (%)18,616,113,61	5,5%
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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	25
Number of employees in ESARM and number of staff involved in the activities for strengthening their capacities (trainings, workshops, seminars, etc.)	430	127	129	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 <sup>xv</sup>	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	6.000 Mostly positively resolved

#### 3.1.4. STRENGTHENING SOCIAL DIALOGUE AND IMPROVEMENT OF COLLECTIVE BARGAINING

Trade Union Density Rate (%)	21,16	19,83	17,29	>26
Collective bargaining coverage rate at branch, i.e. sector level (%)	32,68		38,46	37
Number of collective agreements at employer level	85 * (realization in 2017)	92	92	95-100
Rate of successfully resolved collective labour disputes using the mechanism for amicable settlement of labour disputes	60%	60%	60%	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 the RNM	7 opinions./recomm.	10 opinions./recomm.	2 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 <sup>xvi</sup>	6,8
Share of persons aged 30-34 who completed tertiary education (%)	33,3	35,7	<b>39,7</b> <sup>×vii</sup>	40
Rate of students with special educational needs included in regular primary and secondary education (%)	64,8		67,1	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	16
Established and functional Skills Observatory (to anticipate the needs for skills in the labour market)	Not established	on Primary Education (from 2019) for processing personal data for the needs of the Skills Observatory, and it is	It is functional Provisions have been introduced in the Law on Secondary Education (from 2020) for processing personal data for the needs of the Skills Observatory, and it is necessary to include provisions in the Law on Higher Education in order to obtain statistical data and analysis for higher education	It is established.
Functional Qualifications Register (overview and transparency of qualifications)	Register established	Register established	Functional register for qualification standard	Functional and upgraded registry with registry module

			occupational standards and occupational standard revision module
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#### 3.2.3. STRENGTHENING THE EMPLOYABILITY OF LABOUR FORCE AND BUILDING FLEXIBLE LIFELONG LEARNING PATHWAYS

Share of students in secondary schools in the VET system (%)	60,0	61,8	62,1	>60%
Share in lifelong learning (%)	2,4	2,8	2,6 <sup>xviii</sup>	>4,0%
Employment rate of persons (20–34) who recently graduated secondary or tertiary education (%)	49,1	57,2	54,5 <sup>xix</sup>	55%
Number of Regional Vocational Education and Training Centres (RVETC)	None	The activities have started. Amendments have been made to the Law on Vocational Education and Training and the three secondary vocational schools that will be transformed into RVETC have been determined.	24.11.2020, Decisions were adopted by which three municipal schools continue to	
SOCIAL INCLUSION AND SOCIAL PROTECTION				
Poverty rate (%)	21,9%	21,6% <sup>xx</sup>	The data for 2020 will be published in December 2021	16,0
3.3.1. ENHANCING THE EFFICIENCY AND EFFECTIVENESS OF THE SOCIA	AL ASSISTANCE SYSTEM			
% of households covered by all types of social protection financial benefits	8	8,5	The data for 2020 will be published	14

% of households covered by all types of social protection financial benefits	8	8,5	in June 2021	14	
% of absolute poverty	:	:	:	<1,0	

Number of children covered by child protection programmes (child allowance and	43.000 c.a.	38.855 c.a	43.649 c.a.	75.000 c.a.
education allowance)	3.800 e.a.	9.408 e.a.	26.167 e.a.	65.000 e.a.
Number of recipients of benefits under social security of the elderly	:	6.495	8.573	6.000
3.3.2. IMPROVING THE AVAILABILITY OF SOCIAL SERVICES			· ·	
Number of established local (municipal) social protection councils	0	9	11	81
Number of established regional social protection councils	:	0	0	8
Number of licensed service provided (by type of service; home based, community based, extra-familial care)	÷	12 (10-home based services, 1-community based service, 1-extra-familial care services)	20 (12-home based services, 2-community based services, 6-extra-familial care services)	30

#### **3.3.3. SUPPORT AND PROMOTION OF DEINSTITUTIONALIZATION**

		1	1	
Number of persons accommodated in housing units for supported living arrangements or in group homes	173	226	226	250
Number of users of social services (per service type: homebased, community-based, extra-familial care)	3.058	A total of 4620 (423-home services, 2042- community services, 2155 extra-familial care (* includes foster families and accommodation in nursing homes, data on organized living that is also extra-familial care is listed above)	1/15/1-nome cervices 1/7x-	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	0

#### **3.3.4. PROMOTION OF SOCIAL INCLUSION OF ROMA**

Participation of Roma in the labour market services and active employment programmes	227 (in active measures	251 in active measures	431 in active programs and	325 APEM
and measures	and employment	251 mactive measures	employment measures	52574 2141

	measures) 8.071 (services)	9.736 in services	6,539 in employment services. 1,530 young unemployed Roma in the Youth Guarantee	10.000 services
Share of Roma in the total number of registered unemployed at ESARNM (%)	8,52	9,1	9,2	8,7
Inclusion of Roma children (0-6) in pre-school education	729	762	347 <sup>xxi</sup>	1,000
Percent of Roma pupils who successfully complete primary education (%)	77	80 %	The data is still not available from DDPELMC	83%
Number of Roma students enrolled in tertiary education	300	192	The data is still not available from DDPELMC	400
Rate of transition of Roma pupils from primary into secondary education (%)	87,0	77,4 %	The data is still not available from DDPELMC	92
Rate of transition of Roma pupils from secondary into tertiary education (%)	38,0	40,5%	The data is still not available from DDPELMC	45
Number of Roma families with access to social housing	118	0	0	150
Number of communal infrastructure projects implemented in settlements with prevalent Roma population	:		1	23
Rate of infant mortality among the Roma population (per 1,000 live births, per mille, ‰)	10,2	7,1	The data for 2020 will be published in June 2021	<7

#### 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	65
% of average pension benefit in the average salary	59,5	54,41	54,72	60

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

Rate of infant mortality (per mille, ‰)	9,2	5,6	The data for 2020 will be published in June 2021	<7,0
Number of newly constructed and reconstructed public health facilities	1 new 3 rec.	7	O <sup>xxii</sup>	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	33 functional modules

<sup>1</sup> The report is available at the following link: https://www.worldbank.org/en/news/press-release/2021/04/27/following-historic-recession-north-macedonia-should-focus-on-rebuilding-fiscal - sustainability-as-the-recovery-takes-hold.

<sup>ii</sup> The list of all government decisions related to the pandemic is available at: https://vlada.mk/COVID19#measures.

<sup>iii</sup> Eurostat: Population by sex, age and level of education, different years.

<sup>iv</sup> Due to the situation with covid 19, certain types of services on the labour market were realized with a reduced volume. Some of the unemployed persons on the record have already prepared IPV-2 or their status has been changed, and the number of persons for whom IPV-2 will be prepared, i.e. IPV for hardly employable persons depends on the number of unemployed persons for whom based on profiling it has been determined that they belong to the category of hardly employable persons for whom this form of IPV is prepared

<sup>v</sup> "Official Gazette of the Republic of North Macedonia" no. 311/2020

<sup>vi</sup> From September 2020, according to the Protocol for the operation of kindergartens in conditions of pandemic, kindergartens operate with reduced capacity. Priority is given to children whose parents are employed and children of single parents

vii The value of the indicator is 0, because the construction/reconstruction of the started facilities was not completed in 2020, things are still ongoing

<sup>viii</sup> The program is considered successful if at least 30% of the persons involved in GM, successfully leave it in a period of 4 months, i.e. will be employed, re-involved in the educational process or will be included in active programs and employment measures

<sup>ix</sup> https://www.sobranie.mk/april-76d01e15-f2bf-4edb-8160-0ce138319f4d-ns\_article-46-sednica-na-komisijata-za-obrazovanie-nauka-i-sport-2-4-11.nspx.

<sup>x</sup>https://vlada.mk/sites/default/files/dokumenti/Uredbi\_Covid19/33\_Sednica\_02-04-2020/sednica\_33\_02.04.2020\_programa\_za\_izmenuvanje\_na\_programata\_za\_finansiska\_poddrshka\_na\_ruralniot\_razvoj\_za\_2020\_godina.pdf: http://www.ipardpa.gov.mk/Root/mak/default\_mak.asp

<sup>xi</sup> "Official Gazette of the Republic of North Macedonia" no. 258/2020

<sup>xii</sup> "Official Gazette of the Republic of North Macedonia", no. 24 from 29.1.2021

xiii The Impact of Covid-19 on Women and Men in North Macedonia: https://eca.unwomen.org/en/digital-library/publications/2020/09/rapid-gender-assessment-the-impact-of-covid19-on -womenand-men-in-north-macedonia

xiv EU Directive on the Balance of Professional and Private Life: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L1158&from=EN

<sup>xv</sup> Draft-law on Financial Support to Employers Affected by the Health and Economic Crisis Caused by the Covid-19 Virus, for Payment of Wages for the Months of October, November and December 2020; Discussion on determining an appropriate model for promoting the right to weekly rest; Draft-law Amending the Law on Labour Relations in the part of the weekly leave; Operational Plan for active programs and measures for employment and labour market services for 2021; The seventh report on the revised European Social Charter, the ESA Annual Work Program for 2020 and 2021; Information on the participation of a tripartite delegation of the Republic of North Macedonia in the International Labour Conference in Geneva in June 2020; Analysis of the Covid-19 Working Team to perform a rapid assessment of the impacts of the health crisis/epidemic on employment and response policies; Labour market forecast information; Draft Economic Reform Program 2021-23. In order to develop and determine policies related to the coyote crisis: Presenting the situation and the needs for measures in accordance with the current situation and their impact on the economic plan; Presentation and determination of the Fourth package of economic measures for overcoming the economic crisis caused by the spread of the Covid-19 infection; Presentation and determination of the Fourth package of economic crisis caused by the spread of the Covid-19 infection.

vi https://vlada.mk/sites/default/files/dokumenti/Uredbi Covid19/33 Sednica 02-04-

2020/sednica 33 02.04.2020 programa za izmenuvanje na programata za finansiska poddrshka na ruralniot razvoj za 2020 godina.pdf:

http://www.ipardpa.gov.mk/Root/mak/default\_mak.asp

<sup>vii</sup> The impact of Covid-19 on women and men in North Macedonia: <u>https://eca.unwomen.org/en/digital-library/publications/2020/09/rapid-gender-assessment-the-impact-of-covid19-</u> on-women-and-men-in-north-macedonia

viii Subsidizing the payment of salaries; financial support for affected sectors, activities; financial support to citizens to mitigate the impact of the health crisis.

<sup>ix</sup> "Official Gazette of the Republic of North Macedonia" no.302/20

<sup>x</sup> Men -39,3% , women-27,4%

<sup>xi</sup> Men -16,6% , women -15,5%

<sup>xii</sup> Men - 27.8%, women - 31,9%

<sup>xiii</sup> Men – 12,7%, women – 11,9%

<sup>xiv</sup> Men – 23,6%, women – 29%

<sup>xv</sup> 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 center and longer counseling, which was made more difficult due to the introduced measures to prevent the spread of the virus. The number of persons for whom IEP-2 will be prepared, i.e. IEP for hard-employed persons depends on the number of unemployed persons who, based on the profiling, have been determined to belong to the category of hard-employed persons for whom this form of IEP is prepared.

- <sup>xvi</sup> Men 5,7%, women 5,8%
- <sup>xvii</sup> Men –34,3%, women 45,3%
- <sup>xviii</sup> Men –2,5%, women 2,7%
- <sup>xix</sup> Men –59,1%, women 50,2%
- <sup>xx</sup> Men –21,1%, women 22%

xxi From September 2020, according to the Protocol for the operation of kindergartens in conditions of pandemic, kindergartens operate with reduced capacity. Priority is given to children whose parents are employed and children of single parents

xiii The value of the indicator is 0, because the construction/reconstruction of the started facilities was not completed in 2020, things are still ongoing