



PROGRAMME

for work of the Government of the Republic of North Macedonia
for the period 2022–2024

Mandator:

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Programme for work of the Government of the Republic of North Macedonia for the period 2022–2024

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Introduction

Dear citizens,

Distinguished Members of Parliament,

I am submitting to you the Work Programme of the Government of the Republic of North Macedonia for the period 2022-2024. The mandate for the work of the Government is based on the electoral will of the citizens from the last parliamentary elections held on 15.7.2020, the parliamentary and political support represented by an increased majority of MPs and the confidence to implement the policies defined in the Government's Work Programme in 2020-2024 and the adopted strategic documents for its implementation in the past period.

We are leaving behind an extremely difficult and challenging period. The health and economic-social risks have left serious and negative consequences for both our citizens and the state. And in such conditions, we managed to face them, to maintain and upgrade the health system in support of personal and collective health, to maintain and improve the overall economic activity and to preserve the living standard of the population. The crisis caused by the pandemic exacerbated the challenges, highlighted systemic and personal weaknesses, and enabled the mobilization of overall national human and institutional capacity to address them.

The challenges are not gone, nor can it happen all at once. The pandemic is still active, and we are additionally in an externally generated energy crisis and in an environment with serious internal influences from the externally generated inflationary movements.

The past experiences from the work of the previous Government, the objective analyzes made, the necessity for changes as a precondition for fighting the existing and new challenges, resulted in the need to elect a new Government.

The key obligation of the new Government is to increase the efficiency and success in the realization of the strategic directions and policies for which the citizens have given confidence to the parliamentary majority.

In particular, policies should be continued, improved and supplemented, but above all, strengthen the institutional capacity and mechanism for generating results, positive outcomes and visible and measurable effects for both the citizens and the economy. In addition to the short-term goals and addressing the current challenges, through an inclusive process and broad debate we will develop strategic objectives and priorities for long-term national development.

That is our basic task/undertaking. Overcoming the old, dealing better with the new challenges and succeeding in transforming our economy for the needs of the new time.

We offer continuation and intensification of the policies for accelerated economic growth and development of the country, based on continuous high growth rates, increase of domestic and foreign investments and direct support of personal consumption by increasing the minimum and average salaries and pensions.

We will do our best to keep the inflation rate stable, as a precondition for maintaining the predictable and growing economic environment and activity, according to the provided Plan for support and increase of the living standard and the purchasing power of the population. The health and social protection and support of the population will be strengthened, as the foundation of our policies and actions will become the human capital in general and in particular.

We expect a rapid increase in the realization of capital investments, primarily in the strategic infrastructure in Corridor 8 and regional and local infrastructure projects. We plan on an objective basis, as a result of the Government support, but also as a consequence of the decisions of economic entities, increasing the level of domestic and foreign investment. The direct and focused support will increase, while the tax and non-tax burdens will remain identical, low and predictable. We are starting a process of additional support for reducing the parafiscal charges and strengthening the financial incentives for direct business support. We will reorganize it, reconfigure it and introduce additional forms for more efficient operation of the state and public administration at all levels. We are fully aware that an efficient, growing and productive economy means an uncompromising fight against crime and corruption and a full and effective rule of law and the rule of law at all levels. For the Government, these policies are the highest priority and primary focus, with an obligation for visible results and significant positive changes during the mandate.

We expect, through direct, transparent and inclusive dialogue, to overcome the challenges of a formal and institutional start of negotiations for full membership in the European Union, while preserving our national and state identity and individuality. We are convinced that the beginning of the negotiations will generate a top impulse and strategic contribution to the growth and development of our country.

In initiating and implementing the strategic policies, we will be fully open, transparent and will offer a partnership with all progressive political, economic and social domestic and international factors. We believe that the obligation for a better future of our citizens is common, and the Government has and will take the greatest responsibility. In addition to short-term goals and addressing current challenges, through an inclusive process and broad debate, we will develop strategic goals and priorities for long-term national development.

In 2022, the first and foremost priority will be the national response to the energy crisis. Finally, we must take substantial, long-term and strategic measures to implement the energy transition. For that to happen, we have a Plan, which we will communicate and develop with the domestic and international expert public. Short-term measures to reduce the negative effects are ready, but our goal is to start an energy transition that will enable the Republic of North Macedonia to gain its energy independence based on renewable energy sources, with green, affordable for all and cost-effective energy. We are convinced that we have the capacity and knowledge for that, just as we have a strong will to implement it and succeed.

We have the basis, we will fully engage human capital, the focus is strengthened. We will work with full commitment, organization, honesty and publicity, in order to achieve results for our citizens and the country with new and higher efficiency.

We believe that together we will succeed!

Dimitar Kovacevski

Accelerated and sustainable economic growth with a better standard of living

Accelerating economic growth

The key objective of the Government's economic policy will be to create accelerated and sustainable economic growth and GDP growth by accelerating economic growth rates in the medium term of 2.5% to 5% average growth, while maintaining fiscal stability through mobilization of the private sector capital in addition to the budget funding and debiting.

The basis of all economic policies is the achievement of high and continuous rates of economic growth, based on the solidly established basis in the past mandate of the Government and the expectations for increasing the volume and implementation of domestic and foreign investments, investments in public and private projects, as well as significant increase of the efficiency in the realization of the capital investments (CAPEF mechanism).

Facing the effects of the Covid-19 pandemic on the economy and socially disadvantaged categories, as well as the need to protect the citizens' health and lives remains to be the main challenge. Also, the energy crisis and energy prices in world markets are a major challenge for the economy to which we will respond decisively with measures aimed at providing the necessary energy so that there are no restrictions, mitigating the effect of electricity prices in the regulated market, and financial energy support for socially disadvantaged categories of citizens.

For that purpose, we have developed an Accelerated Economic Growth Plan, which is a general framework consisting of all elements that could contribute to increasing the growth potential of the economy in the medium term. This capital document, which is the result of an inclusive, expert and broad process of debate and implementation of best international and domestic practices and experiences, additionally fully supported by all relevant international economic-financial institutions and partners of the country, will provide highly significant, visible and realistically achievable economic transformation of the economy and will contribute to higher growth and development rates.

The Accelerated Economic Growth Plan will play a key role in encouraging new jobs and stimulating the growth of the economy in North Macedonia. The ultimate objectives go in three directions: 1) Increased investment, i.e. enabling more effective use of public investment by mobilizing additional investment by the private sector, 2) Accelerated growth, doubling of economic growth rates in the medium term, and 3) Ensuring fiscal consolidation.

It is important to note that the Plan also establishes Implementation Guidelines that define priorities, steps and tools, in terms of time frame and the commitment and responsibility of line ministries and other national institutions.

The Government will support investment projects in both the public and private sectors, which will mean improving the competitiveness of the economy and improving the quality of life, and will be concentrated in several priority areas: green economy, digitalization, innovation and technological development, development of physical infrastructure and human capital, as well as social cohesion.

The objectives of the Accelerated Economic Growth Plan will be achieved through a combination of traditional and innovative **financing instruments**, namely: the mechanism for greater efficiency of capital expenditures, development bond, project bonds, green bonds, inflation indexed bond, public-private partnerships, Public Asset Management, Guarantee Scheme, Energy Efficiency Fund, Local and Regional Development Fund, Development Fund, Small and Medium Enterprises Support Fund for their growth and development, Strategic Green Investment Fund, Fund for Increasing Funds, Funds for venture capital, and crowdfunding. Each of the instruments has its own multiplier effect, which directly affects the growth rates.

The plan for fiscal sustainability and support of economic growth is based on: 1) Fiscal consolidation - by determining measures for rationalization for certain categories of expenditures, activities and measures for improving the efficiency and effectiveness of the public revenue collection system that will provide greater collection and improvement of the revenue side of the budget, and new sources and models of budget financing are presented; 2) Consistency of policies in the budget planning process - through full connection of budget planning with the Government Programme, sectoral strategies, as well as the need for connecting with the Economic Reform Programme; and 3) Development of multi-annual indicators for measuring the success in the implementation of budget policies - aimed at measuring the effects of budget expenditures related to the results during provision of public goods and services provided by budget users.

Debting will remain moderate, with optimization of forms of domestic and foreign borrowing. It is of great importance to confirm the country's credit rating by credit agencies, as a result of the implementation of good policies in times of crisis. Hence, a key challenge for us remains focusing on the purpose of the assets and the impact of debting on the economy transformation and the growth and development.

We especially emphasize the success in the growth of tax and non-tax revenues in 2021, compared to 2020, but also in 2019, which we expect to continue as an increase in economic activity and employment, but also as a result of the policies for serious reduction of the informal economy and tax evasion. Fulfillment of tax and non-tax obligations must apply to all and in that regard, there will be no compromise.

The objective of the Government is to provide a fair, efficient, transparent and modern tax system that will be based on modern digital technologies and innovations in taxation, in order to achieve accelerated, inclusive and sustainable economic growth.

In 2022, we do not anticipate a change in tax rates for all types of taxes, as well as social contribution rates. A reform of the tax system has been launched with a focus on enhanced collection in detected activities and a strong fight against the informal economy. The tax system must be subject to harmonized and consensual policies, and for them we will debate with all stakeholders. The primary focus in the short and medium term will be the full coverage of taxpayers, non-selectivity and efficiency.

The activities that will be implemented will be in full compliance with the Tax System Reform Strategy and focused on the following strategic priorities:

Priority 1 - **Greater fairness in taxation** in order to ensure that everyone fulfills their social obligation and pays their fair share of the tax. For the next five years, the main focus will be on establishing vertical equity, which can be seen as a broader solution than tax progressiveness. The expected results are a newly designed model for fair taxation, the implementation of standards for prevention of tax base erosion and transfer of profits (BEPS), a review of the national legislation, aimed at meeting the EU requirements.

Priority 2 - **Greater efficiency and effectiveness of the tax system for better revenue collection** through more effective fight against unregistered activities and tax evasion and strengthened institutional capacity, analysis and adjustment of the tax base, reduction of arrears of tax liabilities and implementation of a register of real owners. Some of the measures envisaged to improve the efficiency and productivity of the tax collection system are a review of existing tax regulations, introduction of advanced technologies, strengthening the capacity of institutions, modernization and automation of work processes, enhanced institutional coordination, and better cooperation at international level.

Priority 3 - **Increased tax transparency**, which includes improving the exchange of information between tax authorities and other entities, which will be primarily based on electronic services

and digitalization of processes. This priority is expected to lead to increased fiscal literacy and greater voluntary tax compliance.

Priority 4 - **Better quality of services** in a way that simplifies and speeds up procedures and reduces the administrative burden. The target results are a greater degree of digital services, better management of the issuance of import-export licenses, elimination of unnecessary non-tariff barriers and better internal and tax control.

Priority 5 - **Designing environmental ("green") tax policies** to stimulate taxpayers to reduce/change their behavior and/or activities that contribute to pollution. The main objective is dealing with the pollution and natural resources protection aimed at achieving sustainable economic development.

The Government will fully focus on the digitalization of processes in the institutions in order to create efficient and effective systems of good governance with increased transparency and accountability in the management of public finances.

For that purpose, the establishment of the *Integrated Public Financial Management System* will continue. The IFMIS system, which is being implemented by the Ministry of Finance, and which basically uses the previous Public Finance System, has the task of incorporating all the accounts of the budget users in one centralized place. This is done in order to increase the efficiency and effectiveness of the public finance system, faster communication among all budget users, more efficient and timely planning of public finances, as well as better technical functionality of the whole system. On the other hand, the implementation of IFMIS improves the responsibility and accountability of all state institutions, monitoring of all budget transactions is introduced, and citizens have the opportunity to monitor all budget payments on the MF website, which further guarantees the transparent spending of public money.

The creation of the *State Aid Management Information System* will enable complete digitalization of the processes managed by the state institutions with the state aid mechanism to different target groups. This will mean full online application for state aid, thus minimizing the possibility of subjectivity in the decision-making and increasing the efficiency of claim processing.

The state aid management information system will enable monitoring and reporting of the entire state aid in 11 institutions. At the same time, it will enable measurement of the effectiveness of public money spending for different sectors in the economy and will be an essential basis in creating development policies in the future.

We remain committed to focused, direct and productive financial support to both the business and the population, as has been successfully accomplished in the most difficult conditions of the pandemic. We responsibly claim that the continuous payment of salaries, pensions and social assistance will continue. Additionally, they will grow. The private sector and the most affected industries and areas will continue to be financially supported.

We expect and will support the growth of the total activity of the business sector by introducing new, for national conditions, innovative and efficient ways of access to capital, instruments, funds and sources of financing by which we anticipate attracting and allocating investments from the private sector. Thus, it will directly and efficiently affect the increase of the gross investments, accelerated growth of the gross domestic product and above all the generation of new and higher paid jobs.

In that sense, we anticipate further growth of the industrial production and export growth, for which we have a plan for structure diversification and focusing on the domestic companies export, in addition to the need for their connecting with the business activity of the existing and new foreign companies operating in TIDZ.

Specifically, through efficient implementation of the prepared innovative and strategic projects for development of the existing and attraction of new foreign direct investments in TIDZ, i.e. through the Programmes: (1) Start of Strategic Green Investment Fund, intended for mobilization of funds from private sources to encourage investments in green facilities, green technologies, infrastructure and technological advancement of domestic companies; (2) New investment encouragement Programme #GrowingTogether, with the primary purpose of attracting higher value-added investments and companies investing in innovation and research and development and through (3) New State Support Methodology for Investment Encouragement, based on new tools introduced in the Directorate for TIDZs for assessing the "return on funds" for the state on the basis of contributions, profit tax and personal income tax; (4) The individualized investor support package (smart access) and (5) The additional development of the aftercare system of foreign investment, we expect to achieve extremely high and measurable effects and results.

In that sense, the projected expected objectives and results are generating: (1) 1 billion Euros of investments in TIDZ in the period 2021 - 2024 (100% growth compared to the level achieved in the period 2010 - 2020), (2) creation of 14,000 new jobs in TIDZ in the period 2021 - 2024 (100% growth compared to the number generated in the period 2010 - 2020) and medium-term contribution to GDP growth up to 1% point by 2026 and at least 8 billion MKD annual revenues in the Budget until 2026 (300% growth compared to the level reached in 2020).

With the introduction of a new "smart" approach to operations and encouraging investment, in addition to the stated objectives, we expect continued growth of employment in the Zones and above all continued salary growth, by encouraging labour productivity growth, by providing co-funding from the state for the companies that will invest funds in the development of employees' skills, aimed at achieving a certain (higher) dynamics of labour productivity growth.

We are also introducing a special Programme for specific support of domestic companies through technological advancement of domestic companies, with a focus on domestic medium and large companies, which will be able to use funds up to 1 million Euros (up to 70% of the value of the investment project) for technological advancement (new technologies, introduction of quality standards and development of skills), as support for achieving the necessary standards for domestic companies for cooperation (entry into value chains) with companies in TIDZ, but also with foreign investors in the region.

At the same time, we will begin the process of serious reduction and elimination of parafiscal levies burdening the business sector, as we will reconfigure the model of administrative services for citizens, which must be efficient, fast, objective and cost-effective. The backbone of that change will be full digitalisation and an uncompromising fight against corruption at all levels.

The Government's measures for investing in domestic start-up companies are divided into three pillars: stimulating the development of the start-up ecosystem, improving working conditions and improving access to finance.

The First Pillar - stimulating the development of the start-up ecosystem means to improve the regulation for development of the innovation activity, to create additional, new instruments to support the start-ups that will be up to date with the global trends, to establish centers for development of start-ups, to improve the conditions for residence of digital nomads, as well as to create a Start-Ups Registry in the Central Registry of the Republic of North Macedonia.

Regarding the package of measures included in the Second Pillar, which should improve the working conditions, the following activities are planned: Enabling the registration of a new type of company, simplified limited liability company (PDOO), facilitating the liquidation process for start-up companies, increasing the flexibility of working conditions, deregulation of operations outside the headquarters of the company (work from home).

Access to finances is one of the most important elements for the development of any project, in this part incentives will follow for entry of foreign investors, tax incentives and exemptions for investors, tax incentives and exemptions for start-ups.

We remain committed to reducing the tax burden on IT companies.

The unemployment rate is currently at 15.7%, which is the lowest level in recent Macedonian history. According to the Accelerated Economic Growth Plan, with the growth of investments, the employment rate is projected to increase to 51.1% in 2024, i.e. 54.1% in 2026, and the unemployment rate in 2024 to reach 11.4% while to enter the single-digit zone of 8.6% for the first time by the end of 2026. Of course, the Government's effort is to achieve this much earlier.

The increase in the minimum salary will continue. This Government appreciates and values the labour of the worker, especially in conditions of pandemic, energy crisis and inflationary pressures. Through an inclusive process, with the involvement of all relevant factors, unions, chambers, we will reach acceptable solutions for all stakeholders. Increasing the minimum and average salary has a direct impact on improving the standard of living of citizens and stimulates economic activity, labour productivity, as well as competition. At the same time, measures and activities are taken to improve labour productivity and the overall internal and external competitiveness of the economy.

The Government's focus through economic policies and measures is for the cumulative growth of labour productivity to reach 15% in order to enable a real increase in net salaries throughout the economy by at least 13.4%.

These activities contribute to increasing the average salary by over 3,100 MKD or 50 Euros more per month. By the end of the Government's mandate, we project for the average salary to be 34,000 MKD, based on the continuous growth of the average net salary in the past period.

Maintaining the purchasing power of the population, economic stability and predictability, implies coordinated and integrated monetary and fiscal policies, through which we envisage a stable exchange rate of the denar and a stable level of inflation, amid deteriorating global trends and risks of external inflationary pressures. Fiscal and monetary policies are coordinated and continuously monitor the developments in terms of inflation and price levels, and will remain aligned in responding to challenges.

The Denar exchange rate is stable and the level of foreign reserves is adequate to protect the exchange rate stability.

Credit activity of both households and enterprises shows an upward trend, while the deposit base is also stable, which indicates the existence of a reliable and stable banking sector that provides confidence to the entire population.

The development of the fintech sector will contribute to competition increasing, which will lead to greater and easier access for citizens to new types of financial services, but also to cheaper financial services. Relevant institutions are undertaking several activities to create an environment in which the fintech sector will develop. At the same time, the new Draft-Law on Payment Services and Payment Systems enables entry into the market of new payment institutions, which as payment service providers are primarily from the fintech sector. They will encourage the digital transformation and will be drivers of innovative and digitalized payment services, which will increase the market competition, resulting in better payment services at lower prices.

The development of financial markets means an incentive for the entry of foreign investors, greater competition, better financial services and products for both citizens and companies, and thus a contribution to GDP growth. The Government, through appropriate legal solutions, facilitates the working conditions of the entities in the field of financial system, while it is important to create conditions for financial institutions to offer the widest possible range of financial products and services according to the needs of citizens and companies, as well as providing alternative sources of funding for providing greater support to the private sector and innovation.

We want to join the new global trends, which are seriously progressing in the most developed financial systems. The Government of the Republic of North Macedonia will enable the citizens who own bitcoins or other stable cryptocurrencies to exchange them legally, and the domestic companies to trade abroad in cryptocurrencies to their suppliers.

This will be allowed with a legal solution that the Government and the Ministry of Finance will prepare in cooperation with the National Bank and in consultation with the commercial banks in the country, while consulting relevant experts on this topic. The formal solution will follow the regulations and recommendations of the European Union for regulating the cryptocurrency market. In this context, solutions will be introduced for protection mechanisms against possible abuses, as well as in terms of preventing money laundering and reducing the informal economy.

The formalization of cryptocurrency trading will bring tax influx to the economy of North Macedonia in the long run, and will attract potential crypto investors from around the world. Of course, for those who decide to use cryptocurrencies, the recommendation remains to be well informed in advance about the nature of cryptocurrencies, as well as the market risk they carry as investors in cryptocurrencies.

Energy transition and sustainability

The long period without new and concrete energy investments and with many promises for new energy infrastructure projects, contributed, at the peak of the European energy crisis with electricity and natural gas, the Republic of North Macedonia - as an import-dependent country on energy, to be put in unenviable situation, which is a great challenge and a huge incentive for the Government to commit itself even more energetically and more seriously to investments in the energy sector.

For the Government, this moment must be used for a serious energy transition and change of the energy structure of the country. In particular, the Government will act towards a successful energy transition that in the short, medium and long term will ensure security of energy supply, sustainability of the energy system and will be affordable for all citizens and economic entities.

The focus on renewable energy sources and the efficient use of available natural resources, such as sun, wind and water, are the basis of Macedonia's energy transition.

Following the good policies and practices of the European Union, the vision of the Government in the next period is development of a reliable, efficient, environmentally friendly and competitive energy system capable of supporting the sustainable economic growth of the country.

Increasing the domestic production of electricity through investments in new energy infrastructure projects by the state through AD ESM, based on renewable energy sources, but also through the model of public-private partnership and the Law on Strategic Investment Projects is the right way of providing energy independence of North Macedonia.

AD TEC Negotino will be part of AD ESM and in the shortest possible time will be transformed and adapted to work on natural gas. In this mandate of the Government, the opening of the mine Zhivojno will begin, with an objective of providing domestic quantities of coal for stable production of electricity in REK Bitola in the medium term.

AD ESM will implement the third phase of the revitalization and modernization of large hydropower plants. Based on the prepared technical studies with the support of EBRD and KfW, new 160 MW of photovoltaic power plants will be built in REK Bitola and additional 10 MW of photovoltaic power plant in REK Oslomej. The construction of the heating pipeline from REK Bitola to the city of Bitola and Novaci has started, and additionally AD ESM will start designing a new co-generation gas power plant with a capacity of 250 MW, which will produce heat and electricity in REK Bitola.

The second phase of the tender procedure for selection of the most favorable bidder for the construction of HPP Chebren will continue, in which some of the largest energy companies from Europe and the world participate. By the end of 2022, we expect to sign a concession agreement with the private investor for the construction of HPP Chebren.

The main drivers of the Macedonian energy transition, in addition to the construction of HPP Chebren, will be photovoltaic power plants and wind power plants.

By the end of 2022, we expect 60 MW of photovoltaic power plants on the model of premium tariffs to be put into operation, as well as the two photovoltaic power plants with a total capacity of 100 MW, to be constructed on the public-private partnership model with AD ESM in REK Oslomej. Only with these two projects and the already constructed photovoltaic power plant with an installed capacity of 10 MW in Oslomej, the total capacity of photovoltaic power plants has increased tenfold in the past 15 years.

In the first three months of 2022, new contracts for construction of photovoltaic power plants with premium tariffs will be signed, for a total of 80 MW that will be built by the end of the mandate of this Government.

During the first three months of the new mandate, a new tender will be announced for the construction of photovoltaic power plants with premium tariffs for at least 70 MW, which will also be built by the end of the mandate of this Government. In total, through premium tariffs, investments will be realized in photovoltaic power plants with a capacity of 200 MW.

In the first three months of the new mandate, several laws will be submitted to the Parliament of the Republic of North Macedonia for realization of strategic investments for large infrastructure energy projects with planned investments over one billion Euros, as follows:

- One of the largest wind farms in the region, Wind Farm Virovi with an installed capacity of 414 MW in the Municipalities of Kriva Palanka, Staro Nagoricane and Rankovce with a planned investment of over 500 million Euros by the German company WPD Europe.
- Solar Park Stipion on the territory of the Municipality of Stip with installed capacity of about 360 MW and planned investment of about 270 million Euros by the French company AKUO Energy.
- Solar Park Erdzelia with an installed capacity of 85 MW with an estimated investment of about 55 million Euros from the British company EFT.
- Solar parks in Dolni Balvan, Stip and Pehchevo with an installed capacity of over 450 MW and planned investment of over 300 million Euros.

In conditions of energy crisis, but above all in relation to the energy transition, citizens and companies will be provided with facilitated and liberalized conditions for installing photovoltaic power plants on their roofs, in order to meet their own electricity needs, and the surpluses can sell them on better terms than the current ones. The limit on installed capacity for both households and industrial consumers will be lifted. In the first three months of the mandate of this Government, a new special law will be proposed for the construction of photovoltaic power plants, which will solve the problems with the current administrative procedures.

By the end of the mandate of this Government, the construction of the 400 kV interconnection transmission line Bitola - Elbasan and 400 kV sub-station in Ohrid will be completed.

Regarding the gasification, there are still 10 km remaining from the construction of the main gas pipeline Skopje - Tetovo - Gostivar which will be completed in 2022, and in just three years starting from 2018, 186 km of the main gas pipeline were built. The construction of the gas pipeline will continue to Kicevo, Debar, Ohrid and Struga. By the end of 2022, a private investor will be selected who will develop the natural gas distribution network in the Macedonian municipalities through a public-private partnership.

The big project for diversification of natural gas sources will continue, with which, in addition to Russian gas, we will make available Azerbaijani gas through the construction of the interconnection gas pipeline with Greece and connection with the Trans-Adriatic gas pipeline - TAP.

It is extremely important for the energy sustainability and implementation of LNG availability that can be provided by the United States, Qatar, Algeria and other countries through participation in the regional project for the construction of the LNG terminal in Alexandroupoli and the use of electricity from the gas power plant in Alexandroupoli. The deadline for implementation of this international strategic project is 2024.

These projects will provide cheaper energy to the Macedonian industry, in order to increase the competitiveness of the Macedonian economy.

The direct support for the citizens continues, through the Programmes of the Ministry of Economy, by providing subsidies for installation of solar thermal systems, photovoltaic systems on the roof, purchase of pellet stoves, replacement of old windows and doors with new ones (PVC or aluminum), as well as providing additional financial resources for vulnerable categories of citizens.

An Energy Efficiency Fund will be established within the Development Bank of North Macedonia, by providing grant funding from the World Bank, in order to support the implementation of energy efficiency measures in public buildings and institutions throughout North Macedonia.

Modern infrastructure and connectivity

Safety and modernization of road infrastructure is a top priority of this Government, for increasing the safety of citizens, stronger economy and shortening the time for transport and logistics. Through investments in road and railway infrastructure, we maintain and develop the economy, and thus we have satisfied citizens who travel freely and safely, connect more easily and move the country forward.

The Government of the Republic of North Macedonia will continue with the implementation of the National Strategy for Development of Road and Railway Infrastructure in the country.

The top priority of the Government will be the rapid construction of Corridor 8, which is unjustifiably late for decades. The connection East - West, with R. Albania and R. Bulgaria is a strategic commitment and focus of the Government until 2024.

At the same time, we remain fully committed to the complete reconstruction and completion of Corridors 10 and 10-D, thus maintaining competitiveness and central positioning in the region.

During this term, we continue the projects that had huge problems and difficulties in the construction, but we also start with the construction of new roads that will give a serious impact on the development of the economy and the country.

- In the part of highway sections, we continue with the construction of the highway Kicevo - Ohrid, Skopje - Blace, and the start of a complete upgrade of the highway Tetovo - Gostivar, construction of the highway Gostivar - Bukojcani, Bukojcani - Kicevo, Trebenishta - Struga - Kafasan and the highway Prilep - Bitola (first phase, Corridor 10-D) are also in our plans.
- In the area of express and regional roads, for the first time we have the completion of the construction of expressway before the deadline. The express road Stip - Radovish will be put in function at the beginning of 2022, and we continue with the construction of the second section of the express road Stip - Kocani (section Krupiste - Kocani). We are actively working on the expressway Rankovce - Kriva Palanka and on both sections of the expressway from Gradsko to Prilep. The plan is to design a new section from Kumanovo to Rankovce and complete the reconstruction of the road Kriva Palanka - Deve Bair. We are working on the preparation of project documentation for the Tetovo ring road. Together with the Government of Kosovo, we are working on projects for the construction of the road Tetovo - Prizren, for which we signed a Memorandum of Cooperation.

- Infrastructure development and road widening in the Vizbegovo industrial zone.
- Ongoing and operational reconstruction and construction of roads in the length of over 1000 km on the sections: Katlanovo - Petrovec (under construction), Hippodrome - Petrovec, Miladinovci - Petrovec, Miladinovci - Hippodrome, Skopje - Blace, Katlanovo - Veles, Veles - Gradsko, rehabilitation of the highway Negotino - Demir Kapija, Bitola - Demir Hisar, Krushevo - Demir Hisar, Drugovo - Demir Hisar, Krivogashtani - Krushevo, Bitola - Medzitlija, Farishka gorge - Prilep (Pletvar pass), Podmolja Ohrid - Struga - St. Naum, Design of Skopje - Makedonski Brod (section Nova Breznica - Kolomot), Mavrovi Anovi - Zirovnica (under construction), Nikiforovo - Leunovo - Bunec, Kumanovo - Stracin (the first phase is ready, the second phase is under construction), Strumica - Berovo (the first and second phase are completed, we continue with the third phase), Sveti Nikole - Neokazi, Design of Kondovo - Radusa - Jegunovce, Gevgelija - Bogdanci, rehabilitation of part of the highway Skopje - Tetovo, regional road Izvor - Garski Most (under construction), reconstruction of the state road Bogdanci bypass, construction of a new bridge on the river Pchinja, reconstruction of the road Strumica - Dabile, rehabilitation with improvement of the highway Border Crossing Tabanovce - Tabanovce, Struga - Gorna Belica, Strazimir - Lukovo (border crossing with Kosovo), connection of Gorno Jabolciste and Nezhilovo with regional road R2336, preparation of project documentation for rehabilitation of state road bypass of Kriva Palanka, completion of junction Brvenica, extension of Brvenica road on widening Mavrovo - Belicki Kanal, construction of state road Strumica - Valandovo - junction with A1, construction of a ring road in Resen, ring road in Debar, preparation of project documentation for Strumica - Novo Selo - Border crossing with Bulgaria, preparation of project documentation for opening a new border crossing with the Republic of Greece at the place Markova Noga.
- Local roads: The government is already investing and will continue to invest in 36 municipalities through the construction of local roads across the country aimed at improving the living conditions. Through this Programme, we have already provided funds for rehabilitation of over 450 km of local roads and streets, which will provide easier and safer access of the citizens to hospitals, schools, sports facilities, cultural and religious centers and other facilities of public and social interest. We are in the process of building over 80 km of local roads and we continue with the realization of the project for connection with local roads. We appeal to the municipalities to continue with the development of quality projects and to urgently and immediately apply for funds for their development. For that purpose, the Government will have intensive institutional and direct cooperation with ALSGU and the municipalities.

In parallel, the Government of the Republic of North Macedonia will invest in the construction of bridges, but also in the repair of black spots and investment in increasing traffic safety on our roads. The construction of an Intelligent Transport System (ITS) on the Corridor 10 will begin. The system provides control and information in case of bad weather, road congestion, measuring traffic density and weight of heavy vehicles, control during transport of dangerous goods and more.

During 2022, we will complete the main gas pipeline to Bitola and the branch to Gostivar, and we will continue with the procedure of the interconnector with Greece, as well as starting the projects for the main gas pipelines from Gostivar to Kicevo and Veles - Sveti Nikole.

In the first half of 2022, the construction of the first and second section of the eastern branch line of the railway Corridor 8, Kumanovo - Beljakovce, Beljakovce - Kriva Palanka and continuation of the overhaul of Nogaevci - Negotino part of Corridor 10, joint border railway station Tabanovce between the Republic North Macedonia and the Republic of Serbia and a joint railway border crossing with the Republic of Kosovo. Preparation of project documentation for new railway Miladinovci - Skopje International Airport, provision of funds for construction of the western railway Corridor 8 from Kicevo to Lin (Albania) and preparation of project technical documentation for reconstruction, rehabilitation of the railway Skopje - Kicevo as part of Corridor 8. We have started a project for improvement of the intersections of the railway and road infrastructure, where according to the prioritization it is planned to improve 20 crossings.

In the field of aviation, the Government will create a new call for air carriers, which would increase the number of flights from our airports, increase the number of passengers (after reducing the impact of the health crisis), increase the level of security and enabling an efficient, orderly, safe and environmentally sustainable aviation transport system, accessible under equal conditions for all.

The Government in cooperation with the local self-government will continue to implement policies of humane planning and landscaping through Action Plans and implementation of the Annual Spatial Planning Programme for settlements that have not prepared urban documentation, which will ensure long-term and sustainable economic, social and demographic development of settlements. The preservation of the natural and cultural heritage in accordance with the guidelines of UNESCO remains a top priority of this Government, which has undertaken the obligation and is already working on the preparation of urban planning documentation of national importance for the entire shore of Lake Ohrid.

We continue to harmonize the laws and secondary legislation acts for improving urban planning and design as a very important reform in the process of urban planning and construction. With this we will additionally contribute to the return of urbanism and design in the hands of architects, with the intention to replace the principle "lowest price for a project" with a tariff, which improves the quality of projects and urban plans.

The Government is working on creating a new legal solution in order to facilitate and accelerate the procedures for construction of facilities and installations for production of electricity from renewable energy sources.

We are focusing on the continuation of the construction of water supply and sewerage networks, for which we provide additional 60 million Euros for all municipalities in the Republic of North Macedonia. The Government, as part of the utility projects, is also active in the construction of dams and reservoirs, as important infrastructure facilities in the country.

As a government, we have provided 70 million Euros for the new city transport in the City of Skopje (BRT), for two bus lines from Gjorce Petrov to Novo Lisice and from Kisela Voda to Butel, a project that depends on the decisions of the city authorities.

Our objective is to improve living conditions and raise the living standards of all citizens. We are maximally focused on the construction of modern and safe road infrastructure and the improvement of the communal infrastructure through the construction of water supply, sewerage and treatment plants, as well as the reconstruction of the existing communal network. With all these investments, we will not only provide a better life for the citizens, but in the industrial zones we will provide better working conditions for the companies, protect the environment and contribute to a healthy life and a healthier environment.

Environment protection, green and sustainable development

The Government of the Republic of North Macedonia will follow the new Strategy and Plan for renewal of the economic, social and environmental component of the European Union in the combat against climate change and biodiversity loss, especially through the implementation of the EU Green Agreement and the United Nations Sustainable Development Goals. A clean, healthy and well-preserved environment in support of a sustainable economy and society, in which satisfied citizens live, will continue to be the biggest challenge of the new Government mandate.

The Government will plan and conduct processes that include, on the one hand, protection of nature and natural resources from pollution and reduction of climate change, and on the other hand, development of the country through continuous investment in green economy and creation of green jobs.

We are committed to long-term sustainable development based on the careful use of natural resources. Pollution control and reduction remains one of the primary objectives. This includes the use of environmentally friendly fuels and the use of renewable energy sources, the promotion of sustainable waste management, the proper and equitable management of water and green transport.

To meet these essential goals, the Government will take the following steps:

- Until 2024, no state institution will be heated with old and non-ecological heating systems. All public institutions are mapped and decisions will be made on the most appropriate solutions.
- By the end of 2024, permanent 24/7 control of the State Inspectorate of Environment and

local inspectorates will be introduced, the state and local facilities will be networked and their competencies will be increased, and the Central Environmental Laboratory will be made available.

- Planned but intensive planting of greenery in the country will be implemented, and particularly in the most polluted cities, green corridors and barriers will be set at the critical points.
- The Government will continue to invest in additional measuring stations throughout the country and in a special software application for easier and more transparent display of the situation with PM particles by date, location and with appropriate inspections and reports, and we will support the initiatives for setting up measuring stations, by prescribing various measuring instruments.
- Data on emissions from major pollutants will be available in real time, as well as the Environment Cadastre System, Pollutant Release and Transfer Registers, issued Environmental Permits and Reports Approved Registers.
- We will adopt the Law on Industrial Emissions and from 2023 we will provide soft credit lines for procurement of equipment and new technologies for reducing pollution for small, medium and large capacities. We will provide tax incentives for the import of green technologies.
- We will provide enhanced control over the stations for technical inspection of vehicles, for the purpose of mandatory control of the exhaust gases from the registered vehicles.
- We will help small and medium enterprises to adapt to the new environmental standards.
- We will establish a system of communal police at the local level, with a special law, which will enable the existing communal inspectors and eco-patrols to jointly take measures against the perpetrators of harmful activities.
- In the period 2022-2024 we will continue to invest in energy efficiency of public buildings to reduce consumption and pollution. In the field of construction, we will carry out intensified control of construction sites.
- An instrument using nuclear technologies will be procured to analyze the composition of PM particles, equipment for air sampling, conducting a measurement campaign and preparing a National Study for determining the main sources of PM particles in the bigger cities in North Macedonia.
- Within the project "Support to the Implementation of the Air Quality Directives and Horizontal Legislation", the EU IPA 2 Programme is planned: completion of the legislation on air, i.e. preparation of a new law on ambient air quality and several bylaws, preparation of plans for implementation of the air quality directives, preparation of national planning documents for ambient air protection and strategic assessment reports for their impact on the environment, preparation and implementation of a Monitoring Plan for heavy metals, VOCs and PAHs, and establishment of zones and agglomerations for these substances,

preparation of an Air Quality Assessment Report and a Natural Sources on Air Quality Impact Assessment Report.

- The objective is by the end of 2024 at least 60% of the weight of packaging waste generated on the territory of the country to be processed by processing operations or to be used for energy, and by the end of 2030 at least 60% of all packaging waste to be recycled.
- In 2022 we will adopt the National Waste Prevention Plan as a national objective and policy for waste generation, reduction, reuse and recycling (2022-2028).
- We will continuously implement activities for installation of systems in accordance with the new five laws on special waste streams, aimed at promoting the primary selection of special waste streams (waste plastic and paper, household waste equipment, waste tires and oils, used vehicles and textile waste).
- We will work on an integrated regional infrastructure for waste collection and treatment, with an emphasis on the selection, recycling and treatment of biodegradable waste and process control (in cooperation with NGOs).
- In the Skopje region we will support a more efficient waste collection system by increasing the number of containers and the waste collection regime, self-sustainable management of Drisla and introduction of a solution for medical waste disposal, as well as urgent remediation of most illegal landfills, with priority at the Vardarishte landfill and clearing and reclamation of locations with improperly disposed waste in urban and rural areas.
- In 2022, the closure of landfills in the East and Northeast region and the construction of a waste management center and six local waste management facilities (transfer stations) will begin.
- We will provide conditions for establishing a system for management and financing of landfill construction, procurement of equipment, transfer stations, closure of illegal landfills in the Southeast, Vardar, Pelagonija, Southwest and Polog region through a loan from the EBRD. We continue with the modernization of the landfill in the village Rusino in the Polog region.
- For the first time, a project for closing a non-standard landfill in the Municipality of Gevgelija will be realized, and we will provide direct support for the procurement of 10,000 bins and containers per year.
- With the new Rulebook for Standards and Norms for Urban Planning, we will envisage that the land that is planned or on which park or protective greenery or recreation area has been constructed, cannot be converted for another purpose, and in case it is converted, reduction of planned areas for purpose D1 cannot be allowed. Provisions for a minimum percentage of greenery per capita at the level of the General Urban Plan will also be strengthened.
- By the end of 2024, the new Spatial Plan of the Republic of North Macedonia will be adopted, which will be the highest strategic document for the development of the country, and in 2022 we will adopt the Law on Spatial Planning, on the basis of which the preparation of spatial plans for protected areas and areas of special interest will begin.

- We will initiate an amendment to the Law on Mineral Resources to ensure that upon completion of the exploitation, sanation and rehabilitation of the field will be carried out.
- In order to solve the historical hot spots, we will revitalize the industrial waste landfill from the mines in Radusa and Jegunovce. SCADA system and the pumping station in the landfill Jegunovce will be regularly maintained and the sediment in the treatment plant Jegunovce will be repaired.
- We will continue with the rehabilitation of lindane in the chemical plant OHIS, Skopje (removal from one of the two locations with appropriate technology and revitalization of the location) with provided 15.5 million dollars. Examinations will be performed at the third landfill site in OHIS.
- The procedures for granting concessions for water use, extraction of sand, gravel and stone from the riverbeds will be implemented once a year with public hearings and participation of the affected public, the institutional set-up and division of competencies will be revised (to ensure monitoring of the situation and water quality) and a ban on the construction of new small hydropower plants in protected areas and national parks will be introduced.
- The Government will continue to support the construction of a treatment plant for the City of Skopje, and in 2022 the construction of the collector system for the City of Skopje will be completed.
- In 2022, the rehabilitation of the sewerage network in the municipality of Kicevo, construction of a treatment plant and rehabilitation of the sewerage network in Tetovo and Bitola and connection of the Municipality of Vinica to the Treatment Plant in Kocani will begin, and measures for rehabilitation and reconstruction of the collector will be supported. The Treatment Plant in Dojran and preparations will be made for revision of the documentation for rehabilitation and reconstruction of the Treatment Plant in Vranishte. By 2024, the Delchevo water supply project, co-financed by the Swiss government, will be implemented.
- The implementation of the UNDP project will continue: building resilience to integrated flood risk management in the Black Drim watershed, for a period of 5 years (2020-2025), aimed at improving the institutional capacities for flood risk management and implementing appropriate measures.
- A € 50 million loan from the EIB will be provided for water supply and sewerage systems.
- We will provide decent sanitation in rural and urban areas without access to drinking water, as well as dry toilets in rural schools where this problem is not solved and where there is no access to water.

In the area of nature protection:

- The new Law on Nature will be adopted, which will completely transpose the EU directive on habitats and birds, the new Law on Regulation of International Trade in Wild Endangered

Plant and Animal Species in accordance with EU regulation, the proclamation of protected areas and natural rarities will continue. Laws will be adopted to declare Lake Ohrid, Studenchishko Blato, Matka Canyon and Belchishko Blato protected areas, as well as a law to re-declare Mavrovo a national park.

- A National Nature Information System will be established and the first reception center for trapped and injured wildlife will be opened.
- According to the new Law on Nature, plans will be adopted for management of the natural monuments: Markovi Kuli, Lake Prespa, National Park Shar Mountain, Lake Ohrid and the protected area of the Osogovo Mountains.
- The process of identification of habitat types and wild species of European importance will continue and standard data forms for future potential Natura 2000 areas will be prepared, and identification of potential Natura 2000 areas at national level will be made.
- We will implement the Climate Action Strategy (2022-2024) and adopt the Law on Climate Action (2022) which will legally oblige the institutions to implement decarbonization activities and provide measurability of the degree of decarbonization, primarily in the energy and transport, but also in other sectors with potential for reducing greenhouse gas emissions, in accordance with the adopted documents at the national level and the European Clean Energy Package, the Sofia Declaration, the Roadmap for Decarbonization of the Western Balkans, the EU and the energy community. The Climate Action Strategy (2022-2024) will be implemented.
- Bilateral and trilateral cooperation will be promoted, with special emphasis on neighboring countries. Priority agreements in this area are the Agreement between the Government of North Macedonia and the Council of Ministers of the Republic of Albania for Protection and Sustainable Development of Lake Ohrid and its Watershed from 2004 and the Agreement on the Protection and Sustainable Development of the Prespa Park Area from 2019, and regional cooperation through the Regional Action Plan for a Green Agenda for the Western Balkans (RCC) will be also promoted.

As part of its development green policies, the Government will intensify policies and activities to decriminalize, legalize, and exploit the medical, social, and economic benefits of cannabis. We will strictly and consistently adhere to the stated policies and will establish a system of strict control of cannabis production for the stated purposes, for which we will ensure full transparency and international and domestic involvement and supervision of the process.

Primarily, by amending the legislation, solutions will be sought to allow non-public and private health physicians to be able to prescribe cannabis preparations and to allow the patient who has received a recommendation for treatment with cannabis preparations to grow and use cannabis on his/her own in a form that suits him/her best according to his/her health condition (orally, by inhalation or through suppositories).

In addition, work will be done on the establishment of a Cannabis Agency - a new specialized state body that would regulate and supervise the cultivation of cannabis for personal use, the establishment and operation of social clubs, the cultivation of cannabis for medical purposes and the like, and the establishment of a special Fund on taxes and other duties to be paid by legal entities that produce and trade in cannabis, which would determine the percentage of funds that will be allocated for Programmes for treatment of various diseases and support of marginalized groups, and projects of public interest in the field of media, culture, sports and civil society.

The legislation, in addition to regulating the rights of licensed legal entities - producers, needs serious supplementing regarding the personal use of cannabis by citizens and resolving this current issue, having in mind the fact that by now, many citizens have been persecuted for using the natural herb cannabis, which puts them at a disadvantage compared to other citizens, thus endangering their personal human rights guaranteed by the Constitution and internationally ratified agreements, hindering personal and economic prosperity, and social development.

Due to all the above facts, the Government will work on the following issues in the next period:

- Decriminalization and legalization of possession and personal use;
- Decriminalization of plant cultivation for personal use;
- Considering opportunities for establishing and operating social clubs;
- Increasing the number of health conditions for which cannabis can be used;
- Permission for private health doctors to prescribe cannabis remedies and the possibility for the patient who received a recommendation for treatment with cannabis preparations to be able to grow and use it in a form that best suits his condition (orally, by inhalation or through suppositories);
- Establishment of a Cannabis Agency (and within it);
- Establishment of a Fund from the taxes/duties to be paid by the legal entities that produce and trade with cannabis.

Agricultural Development

The Government will continue with the annual total financial support in agriculture and rural development in the amount of about 200 million Euros aimed at creating conditions for sustainability and growth and development of agricultural holdings. Increasing production, higher product quality, environmental protection, food safety, animal health and welfare, as well as modern and competitive agriculture and value-added products are critical for us. Most importantly, new agriculture must ensure national sustainability, independence and full coverage of food needs, especially in the face of the expected increase in global demand and product prices.

Direct support in various agricultural branches will be realized through the following Programmes:

- Timely payment of direct support in agriculture: 30% of the amount of the basic measures 30 days after the application and 70% according to the payment calendar;
- Increased subsidy of "Green Oil" up to 100%;
- Grants up to 20,000 Euros for young farmers;
- Support for women in rural areas with a double budget in 2022 of 6,000 Euros per user, with a tendency for support to increase steadily by 2024;
- Establishment of an intervention fund in the Programme for Direct Payments (it is provided in the Budget for 2022);
- Support for procurement of modern mechanization, equipment and packaging;
- Guarantee fund for crediting and financing projects for agriculture and rural development, along with the provision of advisory services within the fund;
- Support for construction of refrigerators, processing facilities, purchase-distribution centers;
- Support for raising long-term plantations;
- Support in procurement of high-quality pedigree genetic material in animal husbandry;
- Financial support for dairy cows under the control of production characteristics;
- Support of 10,000 Euros for development of micro and small enterprise in rural areas;
- Subsidizing the salary (3,000 MKD each) of a newly employed employee in an agricultural holding under 25 years of age;

The Government will continue with capital investments in pasture infrastructure, public-private partnership in the agricultural sector, construction of dams and water supply systems, afforestation, rural infrastructure, improvement of road infrastructure for access to agricultural land, establishment of a by-product collection system of animal origin, related to energy and environmental measures (circular economy model) and incentives for surplus food donation, integrated comprehensive raw milk quality control and monitoring system.

The Government will invest in three large purchase-distribution centers in Resen, Strumica and Skopje, as well as in the installation of solar panels for the production of electricity needed for irrigation of agricultural areas.

Our agricultural land management policies will be:

- Continuation of the process of consolidation of agricultural land;
- Renting pastures under long-term lease;
- Allocation of agricultural land to young farmers holding/managing agricultural holdings;
- Limiting the size of agricultural land when leasing state-owned agricultural land;
- Allocation of state agricultural land to cattle breeders;
- Agricultural areas up to 3 ha to be managed by the municipalities;

- Simplification of the procedure for legalization of livestock farms;
- Inclusive process for defining the model for sale and lease of agricultural land with a single purpose for capital-intensive production of agricultural products.

The reforms for the development of agriculture, forestry and water economy will focus on:

- Adoption of a new Law on Agricultural Advisory System which will regulate the system of functioning of advisory services;
- Return of the old water management communities;
- Reduction of the value added tax for veterinary services from 18% to 5%;
- Personal income tax refund for farmers;
- Continuation of the process of harmonization of the national legislation in agriculture with the EU;
- Introduction of a system for monitoring and forecasting of plant health;
- Establishment of an electronic system for monitoring the wood mass.

We expect the policies for improving the placement of domestic products to result in:

- Encouraging contract production;
- Determining the cost price of individual agricultural products;
- Support in obtaining the Global GAP certificate;
- Supporting performances at international fairs and domestic events;
- Reduction of costs and time required needed during the procedure for placing on the market of food with health claims, food for special purposes and food supplements;
- Encouraging the consumption of fresh fruits and vegetables from domestic production;
- Stimulating the production of new agricultural crops;
- Encouraging the production of traditional products and products with protected geographical origin;
- Maintaining the status of animal health and welfare for unimpeded export and trade in animals and their products.

Sustainable tourism

The main objective of the Government in the field of tourism is to provide numerous opportunities for domestic tourists, to enable the return of tourism and strengthen the domestic economy.

Expect short trips with families for the weekend, or seven-day arrangements in our tourist centers, in small facilities located in untouched nature. The main objective is increasing the domestic tourism, i.e. increase the number of domestic tourists and overnight stays, but also maintaining and developing the traditional market with the Netherlands, as well as development towards the so-called green corridors with Serbia, Albania, Kosovo, Turkey, Bulgaria, Croatia, Poland, as primary markets for attracting and an opportunity for visits by more tourists with more overnight stays.

The Government will provide subsidies for tourism purposes of rural households, support for active tourism, subsidies for digitalization of the tourism sector, as well as support for domestic tourism for low-income workers.

Investment will continue in the development of archeological sites that will be trained and will be available for visiting domestic and foreign tourists.

Use of free national wi-fi will be provided that will direct the users to the promotional site of a municipality, a region, entrance to the country, stops and gas stations.

For this Government, the focus will be on the development of Shar Planina, Prespa, Ohrid-Struga region, Mavrovo, Matka, Pelister, Galicica and Osogovo Mountains.

The Government will begin the reconstruction of existing mountain lodges and the construction of new ones by defining a model for managing and investing in them and tracing and promoting official hiking trails.

The Government will stimulate the introduction of innovative models in the concept of "health" and "Retirement" tourism for domestic and foreign retirees, following the example of successful practices in developed tourist destinations. The Government will support marketing campaigns to promote the country as a place to enjoy and a recognizable and growing tourism brand and will stimulate economic entities that finance/sponsor domestically produced videos to promote the country.

Decentralization and balanced regional development

The Government of the Republic of North Macedonia will continue the decentralization process. In it we see additional democratization of society, more efficient and economical provision and delivery of services, but also enhanced local development. The point is to transfer the competencies to the level of management (government) that is closest to the citizens, which can perform them most effectively, with adequate financial resources and guaranteed involvement of the citizens in the decision making.

We continue with the policies for development of the municipalities, i.e. fiscal decentralization and balanced regional development aimed at strengthening the financial resources of the municipalities, but also at increasing the responsibility and transparency of their operations. The share of VAT and personal income tax allocated to the local self-government will be increased, with established several-year dynamics with mechanisms for encouraging their efficiency in increasing the collection and municipal public duties. In this regard, the revision of the methodology for distribution of tax funds and grants by municipalities will be discussed. The government will

provide resources (organizational and financial) to help especially the smaller municipalities that do not have enough capacity to suddenly cope with the implementation of large projects. In that way, it will stimulate local and regional development, especially through maximum utilization of the pre-accession and new structural and cohesion funds of the European Union.

In the framework of the new Law on Equal Regional Development recently adopted by the Parliament, the Government will work on removing all obstacles to enable development of the Lipkovo region in order for this region to become concurrent and equal with all other regions in the country in terms of development components.

Each unit of local self-government that will use funds from the state budget will have to accept clear rules for transparency in its operations and make available to the public all financial expenses, through the Open Finance system.

The Government will support a model for better and stronger inspection services of the LSGU aimed at adequately addressing the challenges in the field of communal works, construction, environmental protection and citizens' health and traffic regulation. We will increase their powers and enable them to get organized in joint actions at regional and national level. Formal, bureaucratic arguments will no longer be a reason for inaction and lack of protection of citizens.

The Government will propose solutions with which the citizens and the associations will have the opportunity to propose items on the agenda and to participate in the work of the Council. Citizens, associations and local communities must participate in the adoption of development Programmes and the municipal budget. We will extend the obligation for consultations with the citizens to the Programmes of the municipalities.

We will support the utility reform process with grants and cheap loans to modernize the machinery and equipment of local public utilities. At the same time, the public utility companies will have the obligation to build human and institutional capacities, which together with the infrastructure and equipment are a basic precondition for providing better and higher quality services to the citizens. The Government will lead a policy of grouping all capital investments for LSGUs in one place. The funds arising from the Programmes of the ministries and agencies and are intended for municipal and regional projects will be united, and the coordination system for distribution of funds in accordance with established criteria will be performed by the Council for Balanced Regional Development. For greater certainty in the planning and implementation of these capital investments, we will establish three-year budgeting.

Social inclusion and human capital development

The Government of RNM is truly committed to the promotion of human capital and investment in it. In the first quarter of 2022, the Human Capital Strategy of the Republic of North Macedonia will be publicly presented and communicated to all stakeholders, in order to ensure its broad acceptability. The Strategy is a strategic document of exceptional importance for the country, but also a document that confirms this commitment of the Government. The Strategy aims to provide citizens with better living conditions, to contribute to the commitment to faster, more inclusive and sustainable economic growth and to reduce the level of poverty through investments in the education, health and social protection - as key sectors that will help the Republic of North Macedonia to strengthen and improve the human capital.

The Strategy clearly confirms the Government's position that people are the most important resource available to the state. Experiences from developed countries show that giving high priority to the development of human capital achieves excellent results in terms of economic growth, employment, reducing income inequality and preventing brain drain. Quality education increases the incomes throughout life, good health services enable people better and longer living, and social protection supports people in entering the labour market, ensuring full utilization of investment in human capital from all aspects.

The Human Capital Strategy is based on four pillars: improving the quality of services in education, health and social protection; putting a much stronger emphasis on the needs of vulnerable categories of citizens; increased investment in human capital and at the same time increased spending efficiency; and strengthening the management capacity of the human capital sectors. The text of the strategy sets a vision for the future of the Republic of North Macedonia, offering a long-term view of some of the major reforms that will be needed by the end of this decade for addressing the existing challenges, but also the possible challenges that lie ahead, especially in the post-Covid period.

The concluding provisions of the Strategy emphasize that the Strategy offers an opportunity for maintaining the momentum of reform, containing in this section several recommendations for human capital improving, including: creating policies for human capital in a way that spending will be more oriented towards the poor; increase funding and spending responsibility of the human capital sectors; strengthening regular monitoring and evaluation across the human capital sectors; and strengthening cross-sectoral coordination and cooperation.

With the adoption of this Strategy, the Republic of North Macedonia stands out as the first country in the region that through a strategic document paves the way towards strengthening the

human capital and greater investment in sectors that contribute to the development of human potential available to the country.

Full support for all social categories

The Government in its mandate in the field of social protection will focus on protection of safety and health at work of citizens, social security, combat against poverty, child protection, support for Roma development, promotion of gender equality, prevention and protection against discrimination, as well as construction and renovation of kindergartens and other facilities for providing social protection to the population.

During 2022, the started construction of the 10 kindergartens will be completed: in Chair for 350 children, Rosoman 30 children, Erdzelia 70 children, Karposh 100 children, Bitola 150 children, Lipkovo 102, Aracinovo 102, Probistip 72, Valandovo 57 and Kriva Palanka 102 children.

The construction of a kindergarten in Gostivar for 100 children will start, and through funds provided by IPA funds, contracts have already been concluded for starting the construction of kindergartens in Tetovo for 250 and Tearce for 200 children. The preparation of the new Programme for construction of new kindergartens is in progress.

Social benefits, in their visibly increased amounts, will be provided for approximately 300,000 citizens. Social transfers will increase accordingly in relation to economic trends and the level of inflation.

The social protection system is ready to absorb all families at social risk, with 35,500 households currently receiving GMA, 47,000 children using child allowance and an education allowance used by around 30,000 pupils and students.

As part of the coordinated multi-institutional approach in dealing with gender-based violence, violence against women and domestic violence, 5 specialized services for women victims of gender-based violence and domestic violence will be established in 2022: 1 in Kumanovo, 2 in Kicevo and 2 in Gostivar.

The budget for 2022 provides funds for personal assistants for people with disabilities from 6 to 64 years as well as social security for the elderly - pension which around 9,500 citizens are currently receiving, and the strong support in this segment will continue until 2024.

Caring for retirees and securing an adequate income, a pension, will continue. The amount of pensions must be adjusted to the real needs of retirees, in relation to existing and new mechanisms, as the Government will open in the process of expert debate, the need to change the system of pension adjustment. In the overall process, the Government will enable functioning of a

comprehensive, sustainable and stable pension system. The role of the elderly in the local communities will be strengthened through providing conditions for inclusion in public life, i.e. volunteering and employment of adults who want fulfilled days. The development of local services and community care for the elderly will be supported, and the conditions for adequate care of the disabled and sick persons will be strengthened.

The possibilities for expanding the scope of persons-beneficiaries of state social pension, as well as for the spa-climate recreation Programme will be considered.

The Government will continue with the activities for construction of centers for active and healthy aging, with Programmes that will take care of the mental and physical health, socialization and peer communication of the elderly.

The Government will ensure thorough implementation of the amendments to the Law on Labour Relations, which made Sunday a non-working day, aimed at ensuring a balance between the private and professional life of citizens, changes related to fixed-term contracts, seasonal work, and changes in maternity and parenting.

The Government of the Republic of North Macedonia strongly believes that there is no equality in society, if there is no equality between women and men, which means achieving equality in a society in which women and men, girls and boys, have equal rights, access to resources, opportunities and protection in all spheres of life, as a condition for overall and sustainable economic, demographic, social development and progress of the country, respectively a society in which women and men will have the same privileges and responsibilities that they will have in a real joint partnership.

The Government will act through a series of measures and policies aimed at establishing an effective and efficient system for the promotion of gender equality at central and local level, improving the position of women in all areas of public and private life, as well as combating gender stereotypes and building a culture of non-violence and non-discrimination based on sex, gender and gender identity.

The Government will continue to invest in opening victim protection services for all forms of gender-based violence in every municipality in the country.

The harmonization of the legislation for fulfillment of the standards in accordance with the Istanbul Convention will continue. A positive example is the Draft Law on Budgets, which incorporates components for gender equality.

Measures against the gender pay gap that reduce women's inactivity in the labour market, policies regulating parental leave, workplace protection, flexible working hours and part-time work, and jobs tailored to mothers will be prioritized, increasing the availability of kindergartens especially in rural areas and increasing the number of nursing homes in all planning regions.

The Programme for reintegration of women victims of violence will be prioritized, which will include models for temporary housing, psychological counseling with mentoring, various types of financial assistance specifically targeted at women victims of violence, education and training opportunities in various fields, and employment measures set out in the existing legislation.

The Government will commit to increasing access to quality family planning services and the choice of modern contraceptive methods and means (on a positive list of drugs), lowering the age limit for screening for reproductive health, introducing mobile gynecological clinics in rural areas and smaller municipalities where there are no gynecologists, a mandatory free health package (MHP) for women over 35, which includes gynecological examination and mammography.

The Government will intensify the process of creating the new National Strategy for Roma 2022 - 2030 in accordance with the Poznan Declaration of Western Balkan Partners on Roma Integration within the EU enlargement process and in accordance with the Guidelines for preparation of a National Strategy for Roma for the period after 2020 in the Western Balkans and Turkey.

In order to more effectively finalize the process and to ensure quality implementation of the Strategy, the Government will proceed to Improve the institutional framework for the implementation of the National Strategy for Roma by establishing a systematic structure, i.e. a new Department for Implementation of the Strategy for Roma within the General Secretariat of the Government, as well as clear appointment of responsible persons and teams within the line ministries for the implementation of the National Strategy for Roma.

In order to promote the integration of Roma in North Macedonia, the Government will implement the following measures in various sectoral policies:

Employment:

- Preparatory training Programme to facilitate access for employment of Roma in state and public administration
- Dispersed offices of the Employment Agency in the municipality of Suto Orizari through support from international funds
- Increasing the coverage in the active employment measures and services by introducing a quota of 5% for Roma coverage in the operational employment plan
- Support for formalization of informal work by creating a set of measures - access to finance for Roma entrepreneurs through the creation of a Matching Fund and a credit guarantee from the Government and the international fund REDI

Housing:

- Urbanization of Roma settlements through the annual Programme for financing the preparation of urban plans (Inclusion in the GUP, preparation of DUP)

- Support for legalization of illegally constructed buildings of vulnerable categories from the Roma community
- Construction of typical houses for Roma who live in extremely poor conditions or do not have housing and renovation of the facilities for collective housing of persons who do not have housing in cooperation with the LSGU
- Provision of communal infrastructure - asphalt roads, access to water and sewerage network in Roma settlements

Education:

- Development of an education Programme for the inclusion of street children, returnees and children aged 7-14
- Completion of education, targeted internships and support for the first work experience of young Roma who are not employed, are not in education or training

Health:

- Support in providing access to health services to persons without documents
- Programme for exercising the right to health care of vulnerable groups (Roma) in preventive, primary, secondary and tertiary care
- Improving the access to health care of the Roma population through employment of concessionaires in the health centers where the Roma population lives and there is a shortage of general practitioners/family doctors and gynecologists.
- Providing an ambulance for the needs of the health center in Shuto Orizari and hiring medical staff, with support from international funds

Culture:

- Creating conditions for development, nurturing and promotion of Roma culture, language and tradition with adequate human and technological resources that contribute to the development of Roma culture
- Recognition of the concept of anti-Gypsyism in public policies and domestic legislation

Civil status:

- Solving the problem with persons without documents and without citizenship through the new Law on Unregistered Persons and the Law on Citizenship
- Implementation of a joint project with the Council for Regional Cooperation for employment of two persons in the Registry Office and the Ministry of Internal Affairs through a work contract within this project and the systematization of these jobs

Poverty:

- Development of new social and combined services at the local level
- Establishment of shelter centers for street children

Education for the new age

The Government of the Republic of North Macedonia continues to be guided by the premise that with the education we make the greatest investment in the future of our children and youth. Quality education builds free citizens, strengthens the economy and strengthens the democratic tissue. So far we have shown that we can respond to challenges like Covid-19, as well as all the other challenges that not only our society but all societies around the world are facing.

The development of social media, new ways of communication, new manners of acting and functioning of educational actors create new challenges and new solutions. Therefore the media literacy is a top priority of this Government and the Ministry of Education and therefore it will be implemented at every level in the education system and teachers will receive appropriate training on how to implement, learn and teach it.

The Government will develop quality education accessible to all, education that will generate staff who will think logically and critically and draw conclusions based on facts and analysis. We want education that will build individuals who will respect and nurture civil rights, tolerance and diversity, will be brought up and educated in the spirit of multiculturalism and will be able to respond positively to the labour market demand. Therefore, we remain committed to the priority of promoting gender equality and protection against discrimination on any grounds in the curricula, textbooks and teaching materials.

In the next period, we will continue with the reform in primary education, in an open process and by perceiving the attitudes and positions of all active actors in it, by preparing new learning materials, tools, teaching aids and training of teaching and professional staff in schools for work according to the Concept and National Standards. All relevant and involved entities and institutions will be involved in all processes and only with joint solutions will the direction of the reforms be determined.

We remain committed to advancing the role of the teacher in the educational process. That is why the new Law on Teachers and Professional Associates was drafted, which will make the professionalism and expertise of teachers the most important component for their employment. The continuous professional development of teachers and professional associates in primary education as well as the implementation of the model for career development of teachers and professional associates (mentors and advisors) remain a priority in the coming period.

We continue investing in the primary and secondary schools infrastructure, reconstruction and equipping of regional VET centers, promotion of secondary education in terms of expertise and specific and concrete needs of the labour market, along with continuing the cooperation between the primary schools with resource centers and other primary schools, in accordance with the defined regionalization.

Since education is and should be available to all, we will work on achieving primary education in penitentiary and correctional institutions.

In the coming period, we will continue with the preparation of a new Law on Secondary and Secondary Vocational Education as well as a new Law on Youth Standard. With a future focus on the new Law on Adult Education, we confirm that the development of non-formal education for adults remains a priority for this Government.

The preparation for the national and international tests, as well as the preparation of new Programmes for pedagogical counseling is only part of the existing processes implemented for improving the quality of education.

Digitalization remains one of the top priorities for the Government as a critical factor for the new time and essential development of human capital at all levels.

The qualitative and investment support of higher education institutions continues. With the Draft Law on Innovation Activity we offer additional opportunities for financing projects in the field of higher education. Higher education should be put in function of improving primary and secondary education by offering quality staff, quality curricula and cooperation between the three levels of education.

From the ongoing activities, we continue with the Improvement of the system for self-evaluation and preparation of the Development Programme and Annual Programme by the schools, as well as the implementation of the Smart Specialization Strategy (S3).

Stable and modern health system

The COVID-19 pandemic was the most serious test for our health system. The institutions and the citizens, together, went through extremely difficult moments in dealing with the challenges. We have more lessons learned that at this moment contribute to an even more thorough system of organization of the health system, aimed at retaining its stability, motivating the health workers even more, and serving and protecting the citizens.

Given that the danger of Coronavirus is still present, especially through the new strains, the Government and the Ministry of Health will continue to quickly, accurately and comprehensively inform the population about the specifics of the new variants, the protection measures proposed by the Commission on Infectious Diseases and adopted by the Government, on the need for compliance with the measures by the population, on the availability and safety of vaccines and on the need for mass immunization as the highest degree of protection against the risks posed by the dangerous disease.

Healthcare professionals and epidemiologists are now more prepared, more experienced, more confident and more aware of how to act to prepare for the next challenge with the Coronavirus. The world practices, knowledge and researches are continuously followed and are introduced in our work.

For the Government of North Macedonia, maintaining the health centers in full condition, staffed and equipped with number of beds and technical facilities to serve the citizens who need protection and care remain as main challenges, and the vaccination process on the other hand, which is crucial for preventing severe symptoms in the patients, and thus preventing overload of the health system, i.e. avoiding situations in which a citizen would not be treated in a timely and appropriate manner.

The Government will implement positive incentive measures for young people in order to increase the interest and percentage of vaccinated young people as a target group that has the greatest resistance to immunization, while on the other hand will introduce new measures of incentives and restrictions when it comes to the adult population, with the sole purpose of protecting the health of the entire population in the country.

The Government is firmly determined to direct the further development of the health system in accordance with the response to national and international requirements, especially in the field of public health and control of infectious and non-communicable diseases, with financial sustainability of the system, raising the quality and availability of health services, solidarity and equity of the health system, with the citizens at the center of the system and their full involvement.

We will continue to invest in the health system, both in infrastructure and in human resources, equipment and more advanced methods and therapies.

The Government will implement the following policies:

- Every year we will increase the salaries of health workers and associates by 10%, as the increase in 2022 is 5%. Our goal is for the lowest salary of health technicians and nurses to reach the average salary in the country by 2024
- The number of specializations in specific areas will continue to grow, in cooperation with health institutions, given the lack of specialists in several medical branches
- Chance for every young graduate doctor with a license to work while providing paid work experience for each new young doctor, but also monetary compensation as an incentive
- All doctors of specialization residing outside Skopje who have not resolved the housing issue will receive a subsidy
- We will develop a model for systemic changes in the method of payment for primary health care, which will evaluate the scope and quality of services provided by the general practitioners/family doctors. In that direction, for the first time standards for prevention and monitoring of certain conditions and diseases, adapted to the primary level of health care, will be introduced. Also, changes in the method of payment will encourage investment in

education, technical and material resources. The active involvement of the nurse in the realization of health care will be encouraged

- We will introduce a system of continuous education for nurses aimed at increasing their competencies and knowledge in the relevant field where they work
- Strengthening the capacities of the public health (regionalization) through functional connecting all levels of health care (primary, secondary and tertiary).
- We will fully involve patient associations in creating and monitoring health policies and the quality of health services. This will strengthen the role of patients in communication with the professional public in adopting regulations and legal solutions from health care.
- By the end of the mandate, we will make all hospitals and health centers energy efficient, and we will renovate all vaccination points and the oldest wards in the hospitals.
- The number of emergency medical points in the area of the city of Skopje will increase
- We will continue with the reconstruction, expansion and equipping (including necessary staff) of the clinical hospitals in Tetovo, Bitola and Stip and we will analyze the needs and opportunities for their promotion in University Clinics, taking into account the location, capacity and investment value of the new University Clinical Center
- We will invest in new and expanded existing facilities of day hospitals in which patients will be provided with diagnostic or therapeutic (internal medicine, surgical, pediatric) services for one day, for which hospitalization is not necessary.
- We will develop facilities for long-term treatment and care of the chronically ill, especially for the elderly and immobile persons in serious condition, for whom home care is not appropriate. We will convert the unused hospital facilities into nursing homes.
- We will equip the patronage service in all regions across the country, based on the experience of staff recruitment in the past years
- In accordance with European protocols and clinical guidelines, the availability of mammography screening will be increased through the purchase of additional mammograms and mobile mammographs to improve the detection rate of breast cancer at the earliest possible stage.
- We will strengthen preventive Programmes for improving the oral health at all levels, especially in cooperation with pediatric dentists;
- Doctors of primary health care in places where there is a lack of doctors will be able to work and provide services (on-duty, emergency care, vaccination points and patronage) for which they will be paid extra. Doctors from health centers will also be able to register patients as GPs
- Stimulating young doctors to work in rural areas, by awarding grants to young doctors who want to open surgeries in rural areas
- Provision of gynecological services through the capacities available to the health system at the secondary level
- Providing sexual and reproductive health services in rural areas by hiring mobile gynecological clinics
- Doctors in hospitals in the area of gynecology and pediatrics in places and regions where there is a lack of general practitioners/family doctors will be able to register insured persons as their

- general practitioners/family doctors in these areas
- Establishment of palliative care centers (hospices) - re-adaptation of existing health facilities
 - Revision of the Secondary Dentistry Network (prosthetics, oral surgery and orthodontics), aimed at changing the high networking criteria that are in the current model;
 - Revision of the price list of services and introduction of new services in harmony with the new age in dentistry, in the secondary dental health care
-
- Reorganization of the Emergency Clinical Center in Skopje (internist) in a highly specialized and modern institution that will take care of the critically ill, by adapting the space, equipment and staff
 - Introduction of new methods in each of the clinics by bringing foreign expertise, aimed at improving the knowledge of our doctors and reducing the cost of treatment abroad;
 - Continuation of the trend of decreasing morbidity and mortality of mothers and newborns, with a tendency to approach the European average;
 - Introduction of telemedicine services in covering certain activities in health (cardiology, radiology, emergency medical care) in order to increase the availability and improve the quality of health care;
 - We will initiate substantial changes in the organization of the dental activity with a serious and well-founded epidemiological study on the oral health of the population, which will result in substantial changes in the organization of the dental service.
 - We will continue with the policy "Medicine at any time and for every patient", i.e. without quotas that endangered the health of citizens and created anxiety and fear throughout most of the month. This policy will guarantee provided medicines in both pharmacies and hospitals every day of the month
 - We will continue to update the positive list of drugs and add better and more modern drug therapies, at the expense of replacing outdated therapeutic treatments
 - We will continue with the system of providing appropriate and better cytostatics and innovative therapies for malignant diseases
 - Regular supply of quality medicines for 44,000 insulin-dependent patients
 - As we have shown in the case of insulin and the abolition of parallel imports, we will continue with the policy of modern medicines exclusively with a quality certificate. We will improve the procedures related to checking and analysis of the quality of medicines in order to guarantee their quality to the end users
 - We will publish a Registry of registered medical devices so that the citizens can confirm the quality of the medical devices

The effect that is expected from the reconstruction and extension of the PHI facilities in the Republic of North Macedonia is improved health status of the population, improved condition of the health facilities and conditions for providing quality health care to patients.

Having in mind the focus and commitment of the Government in the positive transformation of the

health system and record investments in it, we continue the current trend and during 2022 constructions and reconstructions are planned of the following Public Health Institutions:

1. The construction of a new clinical center in Skopje is a top state priority, for which all the necessary preparations have been made. In that sense, the Government will offer a proposal for overcoming the political obstructions in the Parliament through an inclusive and public process for elaborating the advantages of the Project and implementing the best international practices for a transparent, monitored and efficient construction process.
2. Construction of a new clinical center in Stip
3. Construction of a new facility in the General Hospital in Kicevo
4. Completion of construction activities of the Reconstruction of PHI Special Hospital for Orthopedics and Traumatology St. Erasmus-Ohrid
5. Completion of the Project for replacement of temporary facilities from the outpatient-polyclinic activity of ZD Skopje according to the model "Turnkey"
6. Completion of construction activities in PHI General Hospital Strumica
7. Continuation of construction activities Reconstruction and extension of the PHI Clinic for Surgical Diseases St. "Naum Ohridski" - Skopje
8. Continuation of construction activities on the construction of a new building Polyclinic Saraj
9. Adaptation of the PHI Institute for HOPS Oteshevo
10. Reconstruction of the Clinical Hospital Bitola
11. Reconstruction and adaptation CARIC
12. Reconstruction and adaptation of operating rooms for the needs of PHI UK for Digestive Surgery
13. Reconstruction, adaptation and conversion of a facility for CT placement for the needs of PHI UC PULMONOLOGY AND ALLERGOLOGY
14. Reconstruction and adaptation of PHI UC RADIOLOGY
15. Rehabilitation of facade and facade carpentry INTERNAL CLINICS
16. Reconstruction and adaptation to improve the ENERGY EFFICIENCY of PHI Clinic for Infectious Diseases and Febrile Conditions

Young people in the focus

This Government will set a serious part of its focus on the youth. We create measures for mobility, for the exchange of contacts, knowledge and ideas of young people with their peers, primarily from the Western Balkans and the EU. Opportunities for jobs, gaining work experience and habits, and higher salaries will increase. Young people must gain work experience, whether in and with their community, as volunteers or through an internship and their first employment. The state will

provide incentives for young people to gain their own economic independence as soon as possible, as a precondition for positive demographic conditions and reduction of migration movements.

The Government is a partner of young people and they are an important part of our present and actively participate in creating the future.

Government policies in this area will be based on three pillars:

1. Reducing youth unemployment, increasing market employability and improving the quality of life of young people
2. Involvement of young people in decision-making processes
3. Development of their capacities and giving a chance to create a society tailored to them

Through targeted policies we will provide a certain and secure future for young people:

- The state will cover the contributions for each employed person up to 29 years of age who will be employed for the first time, and will follow an additional incentive for each month, for each new employee
- For all those who are not ready to work because they have not yet developed skills, the state will cover the cost of companies to provide knowledge and skills through practice
- Personal income tax refund will be provided for all newly employed young people under 30, which will return the funds directly to their account and thus provide additional inflow directly to their accounts
- Support will be provided in the opening of youth centers and local youth councils in order to involve young people in decision-making processes and increase the capacity of young people.
- The legal framework will recognize the value of youth work as a mechanism for support of young people in the Republic of North Macedonia in their development and active involvement in community life
- Economic entities will be encouraged to support youth organizations, organizations for youth and other forms of association in accordance with the Law on Youth Participation and Youth Policies through tax exemption. Instead of paying the tax to the state, they can do so through the direct support of young people, but also set aside a percentage of the profits for scholarships for the best students from state and private universities.
- Paid work will be introduced for students in dormitories. The purpose of this measure is for students to be able to earn money during their studies so that they can reduce their study and living expenses.
- The youth allowance for young people involved in production activities will continue to be implemented and increased
- A Register of our young minds around the world will be created and published and their active involvement in creating policies and better societies in order to use their potential and knowledge

- A special package of measures for the mental health of young people will be created through an intersectoral approach
- Preventive measures to combat violence, hate speech and intolerance among young people will be strengthened. A line of psychological support and an accessible web platform for young people - victims of violence, hate speech and hate crime will be launched
- The scope of services and benefits for young people offered by the European Youth Card will be digitized and increased in direct cooperation with state institutions and public institutions.
- Young doctors will be stimulated by opening grants to open surgeries in rural areas
- Strong support of young farmers through grants of up to 20,000 Euros will continue in order to motivate them to engage in agriculture and produce a final product that is attractive for the European market.
- A higher level of internet access and digital technologies will be provided to young people in rural areas

Rule of Law and Good Governance

Rule of Law, Order, Anti-Corruption and Security

Throughout its work the Government will be led by the fundamental and advanced principles of good governance, such as responsibility, efficiency in implementation of promises, accountability, honest operation, inclusion, and availability. Anti-corruption, discipline and rule of law will be the main axis and foundation of the politics of this Government.

In pursuance with the defined strategic objectives and priorities for fight against corruption, there is an ongoing upgrade of the Plan for fight against corruption that will be founded on four pillars:

1. Digitalization
2. Independent and efficient judiciary
3. Professionalisation of the institutions
4. Preventive measures

The first pillar refers to **digitalization** of the processes which is deemed as key tool in the fight against corruption; a tool that involves increased use of the national platform for inter-operability and establishment of electronic systems. One of the tools is the electronic system for (online) reporting of corruption through competent persons for protected internal reporting. This system offers reporting doubts or insight, at any time, that an illegal or punitive act has occurred, is happening or will occur. Also, the digitalization of the processes in the National Ombudsman with automatic distribution of cases will prevent possible corruptive practices and/or manual distribution of cases.

The second pillar refers to the area of **judiciary** and stipulates measures for equipment of the investigation centres and reinforcement of the transparency of the Public Prosecutor's Office of the Republic of North Macedonia, improvement of the legal framework regarding the origin of property and confiscation, as well as reinforcement of the capacities of the institutions for conducting financial investigations. The digitalization process for the Ombudsman will continue, as well as the improvement of the court system and its operation through efficiency in acting, trials within reasonable time, for the citizens to timely exercise their rights and to restore the trust in the judiciary.

The third pillar contains measures for **increasing of the professionalization of the institutions**, measures and activities initiated in the Plan for Fight Against Corruption 2021 and in line with limitation of the privileges of the public officials and professionalization of the public administration regarding amendments and modifications to the laws for administrative servants, employees in the public sector and high management services. Furthermore, it envisages implementation of the recommendations of the State Statistical Office through advancement of

the operation of the Audit Committee to regularly control the level of operation of the institutions regarding realization of the recommendations of the competent auditor.

The last, fourth pillar of the Plan for Fight Against Corruption envisages preventive measures for **reinforcement of the integrity of the public officials**, introduction of audio and video surveillance of the method of discharging professional activities by the customs officers, reinforcement of the control in the implementation of public procurement procedures.

This pillar envisages measures for overcoming the detected weaknesses in the public procurements by introducing e-market which should significantly reduce the deadlines for implementation of the procedure and should enable timely and speedy procurement for the contractual bodies. Moreover, it envisaged establishment of a platform that will present a registry for the most frequent procured goods and services in pursuance with the technical features and prices which are currently active on the markets for goods and services. By upgrading the existing electronic procurement system, functionality will be introduced which will enable electronic random selection of the president and members of the commissions who will conduct the evaluation process of the bids.

Furthermore, one of the preventive measures for fight against corruption is preparation of anti-corruption Programmes and rules for integrity in the private sector. These Programmes and rules intended for the private sector will perform promotion and development of the standards and procedures designed to protect integrity of the relevant private companies, including the behaviour, which is right, honourable and in accordance with the business way of functioning.

The unions should continuously provide proposals for the issues which require clearer definition.

The purpose of this organization unit is to increase the quality and efficiency of the delivery of services to the citizens and realization of the projects on all levels by increasing the level of accountability which the holders of public office and civil servants take before the citizens.

The services and benefits for the citizens must grow continuously. Therefore, we will intensify the implementation of the Law on Free Legal Aid which will provide accomplishment of the right to free legal aid for the socially vulnerable categories of people, mitigating the circumstances for exercising the right to free legal aid while emphasizing the legal issues which these people face most.

The state will assist in the part of assigning lawyers who will provide legal services to the people who, pursuant to defined criteria, will not be able to pay the costs in the court and administrative procedures and administrative disputes.

The draft Law for children's rights foresees that the lawyers who will represent minors before the Mol and the Social Works Centre will be paid from the Budget of the Ministry of Justice in pursuance with the Law on Free Legal Aid. This includes the asylum seekers.

The Ministry of Justice has the authority to subsidize the first four hours of mediation and for that purpose it has provided funds in its budget. The use of the Law on Mediation is a real benefit for the citizens because it provides fast, efficient, and economical way to resolve their dispute through mediation. The election of mediation by the citizens and legal entities directly impacts the number of court cases i.e., their number is significantly reduced.

Regarding the judiciary, the parliamentary procedure is expected to be completed for several laws, as follows: new Law on the Academy for Judges and Public Prosecutors, harmonized with the recommendations of the EC for training of judges (the Academy remains the single point for joining the profession), amendments and modifications to the Law on Litigation, Law on barristers, Law on mediation, Criminal Code, Law on Civil Liability for Insult and Libel, new Law on Compensation for the victims of crimes and Law on Personal Data Protection.

The draft Law on Lawyers introduces mandatory continuous training for the lawyers, organized by the Lawyers' Chamber which will additionally reinforce the lawyer's professions.

The amendments to the Criminal Code include interventions in several areas which require urgent interventions, as follows: Istanbul Convention, intervention in crimes related to journalists' security, amendments to certain provisions of the Criminal Code (in the area of confiscation and torture) as a result of verdicts adopted by the European Court of Human Rights which regulate the violation of the provisions of the Convention, as well as harmonization of the Criminal Code to the EU Directive 2017/1371 for fight against fraud regarding financial interests of the Union by applying Criminal Law).

The Government will redefine the Law on Enforcement Agents, led mostly by the citizens' requests, to make it more functional in their interest, and afterwards, the interests of the institutions. The amendments will secure improvement regarding the trade and registration of real-estate, introduction of digitalized operation of enforcement agents and keeping their registry and digitalization of part of the enforcement procedures (public bidding will be introduced); furthermore, it will define and simplify the enforcement procedures in the interest of the creditors while taking into account the interests of the debtors and thus, regulating the provisions of the law in order to achieve proper and more efficient compliance with the Law on Enforcement Agents when implementing the enforcements.

There is an ongoing procedure for establishment of a working group for preparation of a draft-law amending and modifying the Law on Public Notaries in order to define the collection of tax fees in procedures before the public notaries for issuance of notary payment order, increasing the

efficiency of the work of the notaries public and reinforcement of the professional capacities of the notaries public.

Regarding the digitalization of the judiciary, the following activities are foreseen:

- Total digitalization of 34 courts and more than 120 courtrooms.
- Amendments to the existing legal regulation for introduction of the digitalization concept and leading trials via internet (process laws).
- Securing equipment for courtrooms for online trials.
- Digitalization of the process for issuance of court orders for introduction of special investigative measures for monitoring and recording of electronic communications.
- Upgrade of the AKMIS.
- Introducing inter-operability of the courts, public prosecutions, lawyers, notaries public, Real-estate Cadastre, Central Registry, National Ombudsman, and other entities, and
- Securing digital services for the citizens.

The Government will continue the measures for securing fair and unbiased trials; at the moment the monitoring of cases of high corruption is being developed within the frames of the shared monitoring project of EU/OSCE which will monitor 50 cases of high corruption in a period of 4 years out of which more than 20 of the high-level corruption cases have already been identified.

The Government will address the European Commission to request a team of independent experts who will perform international monitoring of processes for which there is doubt that political influence was exerted, such as: Monstrum, Alfa, Divo Naselje, Little Almir, etc.

The Government remains committed to the reform processes for election legislation and will apply the recommendations of the OSCE, ODIHR, NGOs, all in order to secure conditions for fair and democratic elections and equal conditions for political competition.

Public security is the top priority when securing order in the state. The Ministry of the Interior is charged with this task.

The Government will continue the public campaigns and measures for traffic safety meaning that there will be clear and rigorous regulation of speed in populated areas, setting up a system of cameras for control of the compliance with speed rules, total automation of the process of penalties and connecting the penalties with the car plates and speedy delivery and collection from the perpetrators. Automated mobile radars and cameras will be set up on the roads because the great number of victims from traffic accidents is, very often, the result of unadjusted speed and non-compliance with the speed limitations.

The police capacities will be reinforced in order to better serve the citizens and their security. This foresees procurement of uniforms, equipment for the police, and other materials for the needs of

regular operation, reconstruction of several police stations, reconstruction of the training centre in Idrizovo, reconstruction of the Department for civil affairs in the MRTV building and construction of police station Aerodrom.

The Ministry of the Interior will secure modernization of one aircraft for the Air Units Department in the MoI with high-end equipment for firefighting.

Modern administration, digitalised services - citizens come first

The objective of the Government is to secure professional public administration supported with intensive digitalization, optimal structure and innovative processes and techniques. In this way we will achieve faster services, better quality and equal approach for all citizens and business entities.

The effective e-Government provides wide spectrum of benefits, including greater efficiency and savings in the budget, increased transparency and greater participation of the citizens and business community in policy making processes. In that line, the Government believes that the public administration must provide digital services, as mandatory option. The administration must not ask the citizens or business community for any information or data which have already been secured; it must design public services which, by definition, are inclusive and meet the needs of the vulnerable groups, such as the elderly and people with disability.

We will continue and intensify the strategic and long-term processes for reducing the scope of the administration by 20% by merging functions and competences of the institutions, retirement at 64 years of age, transfer packages for private sector, etc. We will focus on employing quality staff and their retainment in the public administration, developing their careers and trainings, upgrade and wages, motivation, re-systematisation. The development of the administration must follow the best international practices for implementation of know-how, criteria for success, horizontal and vertical integration of the jobs and continuous education, as well as advanced system of inspection and control.

The reforms require professional, experienced, and professional staff. We will define modern criteria for assigning selection or appointment of high officials in order to establish equal conditions for elected and appointed persons. We believe that the professionalization and depoliticization of the state administration must start at the top, and that is why we are establishing high management service.

- Continuous **reorganization** of the public administration by eliminating the overlaps of competences among institutions and introduction of clearly defined hierarchical subordination pursuant to the role of the institution (policy makers, policy implementors, inspection surveillance implementors)

- Clear and significant **definition of competences** on all administrative levels. This will significantly reduce the unsustainable centralization of the administration which slows down all processes, but it also creates atmosphere of irresponsibility and the habit of waiting for anything “from the top”
- **Higher wages – award for results.** Up to 30% of the institution will have the right to additions to their wages if they achieve exceptional results in accomplishing the objectives which the Government will define as their task at the beginning of each year
- **Individual responsibility – team grade.** The citizens and businesspeople are not interested in the formal achievements of the institutions regarding their strategic and action plans but are interested in their services. The citizens and businesspeople are not interested in the successful manager, but in the functioning of their team. Therefore, we will introduce a system that assesses institutions opposite to the formal tables and implementation of strategic plans and assessment of teams i.e., units opposed to implementation of strategic plans
- Following Estonia’s example, the Prime Minister will establish small groups (academic community, business sector, administration) so-called **System innovation units** who will offer new, innovative solutions for systematic problems in the country which have been creeping through for years
- The pandemic caused by the COVID-19 virus showed that electronic communication among institutions is possible and quite efficient. Thus, in a period of two years, the overall communication among the institutions and within the frames of each institution will be **electronic**. All administrative and legal reservations regarding this issue will be resolved. All employees in the administration will be issued clear and obligating instructions in that regard
- **Single point for services – one-stop-shop system** will continue to be further developed in several municipalities and will deliver the services which the citizens request most; part of them will be completed with a complete electronic product (for example, birth, marriage, and death certificates)
- The Agreement signed with the world relevant Mastercard (first of this kind) made us a true global leader in development and implementation of **innovative digital certificates** for certification of identity. The agreement will mean fast procedures and less time for the citizens to receive documents by the institutions, but also fast signing and approval of requests in communication with private companies and banks. A key factor for electronic communication between institutions is the **Document Management System (DMS)** which is a precondition for paper-free environment and unproductive spending of assets and time. In 2022 we will connect 35 new institutions to the DMS of the MISA.
- Improvement of the **Central Registry for Population** through an investment to increase the capacity for data processing, but also, to reinforce its stability regarding the parameters for high availability by establishing the DR location, as well as enabling exact data for the citizens in all integrated IT systems, from institutions, companies, telecommunications, and issuers of digital identity
- Within the national services portal, using the module **Proxy Agent**, the window clerks, according to the assigned authorization, will be able to mediate for the citizen to use certain

service. The module foresees provision of so-called personal civil electronic mail where the citizens will keep their documents issued electronically

- The function of the system **e-services** is expected to be mostly accepted by the citizens, because they will receive a printed document from the electronic versions which in the lower right corner will contain a QR code. By attaching the printed document to all institutions or wherever needed, a QR reader will be able to download the valid electronic document which, pursuant to the law, is a valid document
- Assets have been foreseen for procurement of equipment for the **e-Citizens** platform and establishing of standards for accessibility; at the same time, we are working of modernization of the information system for human resources management
- Towards the end of the mandate, we will set up a central institution (Digitalisation Agency) which will be responsible for coordination and implementation of the digitalization process in the society, but it will also provide complete IT support for the institutions of the state administration. The establishment of such Agency will create an opportunity for constant upgrade of the know-how of IT professionals and their appropriate awarding
- Towards the end of the mandate, we will secure total coverage of several cities with **5G signal**, as well as 70% coverage of the main corridors and road network in the country. Moreover, we will set up control and regulation which will guarantee security of the citizens, critical infrastructure, and security of the country.

Improvement of democracy and freedom

We believe in the values of tolerance, fairness, equal opportunities, recognition of differences, multiculturalism, and inter-cultural communication. We believe in social justice, equal opportunities for women and men, inclusion, and participation of citizens in the decision-making processes and achieving social cohesion. The European Union is founded on diversity – different people, different cultures and languages, but it speaks and operates on the principle of UNITY THROUGH DIVERSITY. We are a true example that such policy and these values can function on the Balkans.

In the past four years the Government made a total turnover in the policies regarding openness of institutions and information shared with the public, constant two-way communication with the media, defining a clear difference between the party and state operations and activities and validation of the rights of all citizens and all communities in pursuance with the Constitution.

The Ohrid Framework Agreement, being the foundation of cohesion and equality of our society, and as part of the Constitution, represents added value for our democracy and its constant implementation is the Government's priority. Its fulfilment will secure good and sustainable multi-ethnic relations between all communities in North Macedonia.

Tackling disinformation

Defending democracy and freedom means dealing with damages caused by disinformation – a global phenomenon realized through hybrid attacks coordinated by various power centres whose objective is to attack and weaken the democratic societies.

The Government will intensify its efforts in tackling disinformation through several pillars of action:

Active transparency:

- The Government will intensify the realization of the Transparency Strategy by establishing an organization unit in charge of implementation of the strategy within the General Secretariat of the Government.
- The adopted practices and policies for proactive publication of documents, information, reports, and everything that is in the interest of the public in a concise and simple format, will be further implemented in all institutions of executive power.
- The Government will further its recommendations to the municipalities to increase their transparency, while the financial transactions for the Programmes through which the Government pays assets to the municipalities, capital investments, investments supported by the World Bank, the projects from the assets of TAV, will be conditioned with visibly increased accountability of the municipalities.

- Through 2022 the MISA will complete the process of modernization and standardisation the new websites of the Ministries and the Government, thus securing new digital and modern tools for alleviation of the proactive transparency of each institution.

Modern proactive communications: By combining various communication channels for proactive communications, the Government is focusing on narratives for democracy which are based on the principles and values of the European Union: solidarity, diversity, regional cooperation, freedom of movement, antidiscrimination, etc. The objective of this proactive approach is to set a narrative that dominates over the usual narratives which are distributed by the disinformation centres: nationalism, discrimination, antivax, etc.

Media Literacy: the new concept for primary education brings the media literacy as a separate topic in the curriculum in mother tongue (Macedonian, Albanian, Turkish, Serbian, Bosnian). Whenever possible the teacher will integrate the media literacy in the other topics and areas, with the objective of enabling the students to connect their knowledge in various areas into one whole.

In the school year 2021/2022 the realization of the new curriculum started in first and fourth grade while the studying of media literacy will be studied in these two grades and will be gradually introduced in the new curriculum for other grades.

The need of media literacy arises from the fact that the modern tools for mass communication enable easy placement and distribution of disinformation and intended falsely fabricated manipulations which contaminate the public discourse and disillusion the citizens.

If we create generations which have more knowledge and tools to tackle false news, we will be more ready to fight them and to prevent crisis situations created by false news.

Cooperation and networking: We are creating an environment for sharing experiences and defining several key shared pillars for all stakeholders in the country, but also in the region. There is a strong political support for the mixed platforms between the civil organizations, media and governmental institutions which will create strong networks for fight against disinformation centres. The Government has constant cooperation with main platforms of social media on the topic of disinformation.

Fast response: The Government adopted a crisis communications protocol, as part of the Communication strategy of the Government. This protocol includes methodologies for fast response which is key for early response in line of reducing the damaged caused by disinformation. The protocol will be used in everyday tackling with disinformation in the Communications Sector of the Government and is especially useful in this *infodemics* which accompanies the pandemic.

Civil society

According to the Strategy for Cooperation and Development of the Civil Society 2022-2024, the Government is determined to improve the environment in which the civil society operates and is being developed, thus contributing to the improvement of the democratic governance and establishment of structural dialogue with the civil society which will contribute and provide support on the path of reforms and EU integration.

In that regard, the Government in partnership with the stakeholders from the civil society will conduct several activities to accomplish its objectives:

- Enhancement of the legal framework for civil organizations.
- Reinforcement of the institutional framework and practices of cooperation between the Government of the Republic of North Macedonia, the bodies of the state administration and the civil organisations.
- Establishing a tax framework compliant with the specifics of the operation of the civil organisations which will enable their development.
- Enhancement of the system of state funding of civil organisations.
- Increasing the involvement of the civil organisations in the process of creating, implementing, monitoring and assessment of policies.
- Reinforcement of the partnership in the processes related to EU integration.
- Improvement of the legal framework for the right to peaceful gathering and direct participation of citizens in decision making processes.
- Development of social entrepreneurship.
- Recognizing the specifics of civil organisations as an employer.
- Promotion and development of volunteering.
- Stimulating citizens and business sector to provide support and contribution to the development of the civil society.
- Increased participation of the civil organisations in providing services for the needs of the community.

Support of the democratic reforms in the media sector

The Government will continue supporting and contributing to the enhancement of the pluralism in the media, while supporting initiatives arising from the journalists and media and will continue initiating reforms in the media sector according to its competences and in consultations with the relevant institutions, media workers, media and civil organisations which operate in media policies.

For that purpose, the MISA will complete the establishment of the National Council for Reforms in Media to enable the decision making in the process of reforms to be supported with wider relevant consultations with stakeholders, institutions, media, civil society, academic community, experts and public.

The end goal of the governmental policies regarding the media is to increase the media freedom, to secure better conditions for professional media work, establishing a media fund for production of national contents, to support the media workers and the investigative journalism, to support the public broadcasting service and credible public communications, etc.

The Government will continue its consultations with stakeholders in the media sector with the purpose of defining the details surrounding the model for realisation of informative and educational campaigns of public interest, which will be conducted throughout transparent and public procedure, using active mechanisms for prevention of abuse of budget funds and mechanisms which will remove all risks of influences towards the editorial policy of the media – a practice which was a trademark for the non-democratic governments in the period up until 2016.

The Government will continue realising the Programme for support of print media, initiated with the purpose of stimulating diversity in the sources for information, and will provide sustainability of this traditional type of medium in conditions of fast-rising digitalisation in pursuance with the practice which is present in many countries and is supported and recommended by the OSCE and international media organisations.

Moreover, the Government will continue to insist for the MPs in the first half of 2022 to urgently finalise the process of election of members in the management bodies of the MRTV and the AVMU, to accomplish full democratisation and reforms in the operation of these two key institutions regarding the media rights, freedoms, and regulations.

One society equal for all

Using this Programme, we are building strong and united, cohesive society which respects the dignity and human rights and enables everyone with equal opportunities. A society which is diverse, but stable, secure, and tolerant. A society where everyone feels at home.

The greatest part of the Government's Programme is being realised through the National Strategy for development of the concept for one society and interculturalism. Its Action Plan strives to conduct recommendations of the international bodies of the United Nations, Council of Europe, European Commission, as well as the Organisation for Security and Cooperation in Europe. One of the main objectives is to constantly improve and reaffirm the constitutional principle of equal representation for all communities. We take great care for this principle to be complied with in executive, legislative, and judiciary.

The institutions competent for realisation of this Programme will establish a functional network for cooperation and interaction. The Ministry for Political System and Inter-Ethnic Relations will be fully functional and equipped followed appropriately by the Agency for exercising the rights of the smaller communities, and both Administrations, for improvement of cultural and language rights of

the smaller communities. In relation to the application of the Law on Use of Languages, the Government will complete the establishment of the Agency and Inspectorate.

Better interaction will be secured among the students from different ethnic communities and various languages in primary and secondary education.

Support is foreseen for the schools to realise shared classes with students who follow their curriculum into different languages.

The new Programme of the Government foresees measures for improved knowledge of the Macedonian language among the students who study into languages other than the Macedonian, as well as measures for the students who study into Macedonian, to be capable for basic communication in the language of the other ethnic communities.

The Youth and Sport Agency will prepare a Manual for realisation of project activities by youth and sport socialisations of citizens for the culture and tradition of all communities. Furthermore, it will prepare a manual for all current measures against violence and hate speech and hate crime.

The Ministry of Local Self-Government will improve the functionality of the Commissions for inter-ethnic relations in the local self-government units while recommending institutionalisation of the processes for consultation and participation.

The Ministry of Culture will improve the overall capacities and resources of the institutions for culture and art to create projects which will secure the inter-cultural dimension and respect the cultural diversity.

The Government will support the initiatives for establishment of new cultural institutions of the communities. Such are the requests for establishment of a Turkish Cultural Centre, as well as a Roma Theatre and Roma Cultural Centre.

One of the bigger activities will be creating an annual call for affirmation and improvement of the culture of the representatives of the communities.

The Government will appeal, encourage, and will cooperate with the business sector i.e., the domestic and foreign companies to support the good inter-ethnic relations and values for tolerance, representation, and mutual trust in their work environments, in order to use the overall human potential which our country has at its disposal.

European Culture

The cultural policies are key for further Europeanisation of our society. The principles and values on

which we insist are, in fact, the key European values: nurturing individual and collective identities, protection of cultural heritage, multiculturalism, care for diversity and vulnerable citizens, intercultural dialogue, decentralisation, participation and cultural democracy.

The Government will promote policies of mutual respect and presentation of diversity as a unique advantage of our society.

The objective of the Government is to develop culture in all its segments. To reinforce the institutions in terms of staff, infrastructure, technique, and Programmes. To improve conditions for work in extra-institutional sector and to create practices of cooperation and synergies among them. To advance the social status of the employees and to value the authorship of all people engaged in the sector of culture. To attract more audience and to enable the citizens to take greater participation in the cultural activities. At the same time, in accordance with the European trends, we foresee measures which will help us to use the potential of the culture to contribute more to the economic development, especially on local level. We will reinforce the presence of the creative and critical skills in the process of education, but also in developing new and innovative businesses.

The cultural heritage will play a key role in our policies. This reinforces the feeling of belonging, of sharing mutual values and traditions. We represent the European idea that the cultural heritage is mutual resource which will raise the awareness for our shared history which unites us as citizens, but also makes us legitimate among the European family of states while actively contributing to the overall European identity.

The new Programme "Cultural Heritage at Danger" will emphasize the protection of the cultural heritage that is endangered, such as the church in the village Kurbinovo. In 2022 we will continue the cooperation with the European Commission, the Council of Europe and other international organisations and bilateral partners. We will also continue the activities related to implementation of the Programmes for cross-border cooperation from IPA of the European Commission while supporting Programmes and projects of the national institutions. The activities related to the EC's Western Balkan Agenda will continue.

We will introduce system of mandatory funding of the monuments which are on the List of Monuments of National Interest following the principle of value category and degree of endangerment. The List will be open and new monuments of movable, immovable, and intangible heritage will be added to it.

We will increase the number of professionals in conservation centres. In 2022 we will audit and delete from the registry all illegally registered monuments and objects from the so-called project "Skopje 2014" which, in their nature, cannot represent cultural heritage.

We will support the development of the cultural and creative industries related to products of the traditional culture by including the amateur folklore organisations which nurture the traditional work.

Through the Ministry of Culture, we will support the literary work of young authors by establishing special stimulation measures. We will support the translation and translatable literature, especially emphasizing the quality of the translation and appropriate financial valuation of the work of the literary translators who translate from the original language.

After marking the 30th anniversary of the country's independence, the 20th anniversary of the Ohrid Framework Agreement and the 100th anniversary of the birth of Blazhe Koneski, the Government and the Ministry of Culture will continue to develop the best and most successful examples in Programmes and projects which will transition into regular annual cultural initiatives.

The care and advancement of the Macedonian language with which we were indebted by Pulevski, Misirkov, Racin and Koneski, will be intensified by creating the Centre for Care and Advancement of the Macedonian Language which will be built on the foundations and through reconstruction of the old school in the village Ljubojno in Prespa.

We will continue the improvement of the conditions for work in the national institutions in the area of culture by investing in infrastructure (construction, reconstruction, and reparation of the premises where national institutions are situated, procurement of appropriate equipment for operation of the institutions) thus creating better conditions for realisation and monitoring the projects which are of national interest in the culture.

The Budget for 2022 defines capital projects for construction and reconstruction of the objects for culture (construction of the Turkish Theatre in Skopje, construction of the Theatre and Library in Tetovo, construction of the Theatre in Strumica, reconstruction of the Theatre in Kumanovo, reconstruction of the Cultural Centre in Kochani, reconstruction of the Cultural Centre in Gostivar, reconstruction and renovation of the National University Library Sv. Kliment Ohridski in Skopje).

The Government will continue the second phase of the institutional decentralisation which is to provide best services for the citizens pursuant to the European Charter for local self-governments. In order to overcome the weaknesses from the first phase of decentralisation, we will increase the grants to cover all real needs of the local institution, funds for ongoing and material maintenance of the institutions, for new investments and all for the purpose of improving the condition of the premises of the local institutions in the culture and their functionality. We will regularly approve requests for filling empty positions and jobs, as well as for new employments in the local institutions by the Ministry of Finance. We live in unequally developed country. In the area of culture, we will work on equal cultural development, most of all, by using policies in instruments of decentralisation and de-metropolization of the culture.

Cultural economy can be a great source of incomes and reduce or prevent drain of people from local communities going to the capital and abroad. It is a great propulsion force of the sustainable development. Our cultural diversity is a great potential for the development of this type of economy.

We will undertake a series of measures to breathe life into this priority of the modern European policies:

- We will increase the number of creative centres and incubators, where the youth and start-up companies, associations of citizens and individual artists, freelancers will have the opportunity to work together and to create shared values and cultural and art services
- We will support the maximum use of IPA mechanism for development of creative and cultural industries. We will enable trainings and we will create lines for cofounding of projects in this, as we have done in other EU Programmes, such as Creative Europe

The Government of the Republic of North Macedonia will comply with the Collective Agreement for employees in the culture. The Agreement regulates the compensation for travel costs from and to work in specific conditions, the field visits fee, compensation for costs for separate life, compensation for costs for using private vehicle for the needs of the employer, compensation of costs in case of moving, severance pay when retiring and jubilee awards. In cooperation with the unions we will open a debate regarding all other rights of the employees in the culture, such as accelerated retirement, additional issues beyond the Annual Programme for work of the institution, liberalisation of the conditions and procedures for freelance artists and rules for use of other types of benefits such as monetary fees, awarding space for work or publication free of charge, awarding or renting equipment and instruments free of charge and funds for insurances of works, instruments).

Active population, sports, and recreational activities for all citizens

The Government of the Republic of North Macedonia sees the sport as a tool for achieving better social and economic development which plays an important role in the cultural history of our country. The sport empowers the young people, women, individuals, and communities while contributing to building cohesive, tolerant, and sustainable society.

The physical activity, in addition to having a positive impact on mental health and cognitive development, encourages young people to social interaction and building partnerships based on positive social values.

Our goals are related to building a physically active population, stimulating, and developing sports culture in our country, creating integrity in sports organisations, affirmation of sports diplomacy and top sports.

We will fulfil these goals following activities such as:

- Conducting national research for the level of participation of citizens in sports and recreational activities and creating a Programme for physically active population. We will implement the MaffFit measure which is an annual assessment and monitoring of the physical development and motoric efficiency of children and young people
- We will propose a new draft Law on Sports which will secure the status of the activity sports and sportspeople in our country, and which will be in accordance with the revised European model of sports
- We will create Strategy for development of sports 2022-2027 using defined goals and priorities for development of recreational and professional sports
- We will upgrade and improve the voucher system in order to achieve equal and transparent support of sports and sportspeople
- We will introduce gender perspective when creating and implementing the sports policies and budgets on local and central level while organising education for use of gender perspective in policies and budgets of sports organisations
- We will support education of professional staff in sports, as well as education on the topic dual career for young sportspeople using the support of national and international experts
- We will advance the cooperation with the Olympic and Para-Olympic Committee, as well as with other significant sports organisations on national level. We will be proactive in the cooperation with the Council of Europe, UNESCO, International Partnership against corruption in sports and other important international organisations with the purpose of creating sustainable and progressive sports policies
- We will develop the concept of sports diplomacy and create Programmes for sports diplomacy which mean participation and exchange of youth and promotion of international cooperation. We will develop trainings for diplomacy intended for top sportspeople and sports clubs to create so-called sports ambassadors
- We will continue investing in and building sports premises, complying with the principle of equal regional development and equal access to people and sports clubs
- We will improve the status of the sportspeople by supporting the national sports organisation whose objective is to protect the rights of the sportspeople and to advocate for their representation in all decision-making processes
- We will support the professional staff when introducing science and research activities to achieve its application in the development of sports
- All sports premises owned by the country and municipalities which are given under concession or in public private partnerships will be assigned to secure at least 15% of their time for children and young people of vulnerable categories
- We will appeal to all physical education professors from all schools to use the Saturdays to organise 2 hours of sports activities in the open: athletics, mountaineering, walking, football, basketballs, sports games
- We will fully realise the projects for construction and reconstruction (restoration) of sports premises which have been already initiated: construction of a swimming pool in the

municipality of Ohrid, construction of 14 closed school pools, construction of a sports hall in the municipality of Chair for combat skills, construction of 10 basketball courts, construction of House of sports, construction of closed pool in Tetovo, reconstruction of sports halls in Negotino and Veles, of the pool in Struga, on the stadium in Kavadarci and reconstruction of the sports infrastructure in the municipalities: Kisela Voda, Bitola, Ilinden, Demir Kapija, Gostivar, hockey arena in Sports Centre Boris Trajkovski, Karposh, Kichevo, Lipkovo, Dolneni and Struga

- We will analyse all agreements for concession of the sports premises and halls, and we will monitor whether the obligations towards the community are being met.

Integrations, NATO, and the EU

From being an internationally isolated country, in fight with the neighbours, stalled Euro-Atlantic processes, uncertain future without any perspectives, succeeded in becoming an exemplary country in the region which makes bold decisions for the future; a state which is factor of stability and prosperity of the region.

We are NATO

We accomplished our decades-long strategic objective, NATO membership. This means peace, stability, safe future. With NATO we secured the integrity and development of the country. The membership in the most powerful alliance will be used wise and strategic. This alliance is an excellent chance for a small country with limited resources to increase its specific power and to use it for its own influence. For that purpose, we will provide active and capable Mission to NATO which will prove that the country has knowledge, experience and new modern spirit of work and cooperation.

NATO is a chance for our business community. The full-fledged membership opened for our companies the great chain of supplies/procurement with products for the needs of the NATO Alliance. We secured the first information and contacts with appropriate NATO agencies and during the new mandate, we will help all our interested companies to be more organised in using this chance for development and greater exports.

The North Atlantic Treaty Organisation membership, as well as the future EU membership, will continue the building of capacities for collective defence, cooperative security, and crisis management. The question of survival is closed; stability, development and future of the country remain a priority. The Macedonian sky is under the protection of NATO.

On the road to EU, we will face challenges for which the governments of both North Macedonia and Bulgaria, are resolved to find solutions through dialogue and cooperation. We are sure that the Macedonia and Bulgarian citizens are interested in more economy, cultural and educational and youth exchange, for infrastructure which connects us. We clearly say that the history belongs to the historians, but the identity issues are issues and foundations of the people and the country; therefore, the Government of North Macedonia has no dilemma that no one can negotiate the identity of the Macedonian people and for the historically and scientifically proven specifics and uniqueness of the Macedonian language.

We will continue the talks with the Republic of Bulgaria, because we are a friendly country which develops good-neighbourly relations, and we have exceptional strategic interest to commence negotiations for EU membership.

In order to establish a defence system, we will continue the stable financing of the defence and reaching the 2% of the GDP for the defence budget by 2024 via growth rate of 0.2% of the GDP each year. Stable financing means stable and strong Army and true contribution to the Alliance. Strong army means strong support of the country in conditions of crisis and actions for protection and rescue on national level. Strong army will provide strong support to the civil society.

The stable funding of the Army will enable future growth of salaries, but also increase in the military readiness and inter-operability of the Army and its serious modernisation, especially having in mind the new security challenges. The Government will introduce the Plan for Equipping and Modernisation of the Army pursuant to the priorities for equipping the declared forces through multi-annual projects: development of the light infantry battalion group located in garrison in Shtip focusing on training and equipping; continuation of the commenced project for procurement of armoured personnel carriers on wheels; cyber defence; introduction of military aviation from Western manufacturers; procurement of personal protective equipment for the representatives of the Army; procurement of air defence systems. We will reinforce the trainings and exercise activities. The focus in future in this area will be on the declared forces i.e., the light infantry battalion group.

The Government will continue its investments in the modernisation of the Army polygon "Krivolak" (infrastructural connection, development of new contents, resolution of water supply problems). The polygon is expected to become domestic and NATO resource but will also contribute to reinforcement of the local and national economy. The NATO and US experts highly view the capacities of "Krivolak" and there is a possibility for it to become a NATO polygon for trainings and exercise activities. At the same time, we will provide constant measuring station to show compliance with all standards for safeguarding of the environment.

We will continue the improvement and renewal of the infrastructure of the military premises by renovating old and constructing new facilities, by implementing renewable energy sources everywhere and reconstructing the following facilities: barracks Ilinden, SEEBRIG command, Military Academy, water supply and sewage network in the barracks in Shtip.

Next objective - EU membership

The objective of the Government is to bring the European standards and values at home and to enable the citizens a European way of life. The European Union is a system of values which present a legal state where we are all equal in front of the law; a state where the order and organisation are foreseeable and are part of our everyday lives. The progress which we have achieved in the past 4 years brings more open funds for our citizens which help us to support solidarity, equal society for all, quality infrastructure, productive and sustainable agriculture, as well as healthy environment. The changes we are making for EU membership are in our national interest and their implementation is helping us to bring Europe at home.

North Macedonia has a concept which, as model, can be very useful for the European Union. Our behaviour, maturity, and unity which we have been building, as well as the relations with the neighbours and the challenges at home, can present added value for Europe. The fact that our deep social and economic crisis made us more mature, stronger, and wiser, can serve as an example for resolution of some open issues in both, the region, and the EU.

There is no single member-state which has remarks for our reforms; on the contrary, the progress in all aspects of our Europeanization is recognised and acknowledged and that is why we have unbiased recommendation for commencement of negotiations.

Due to the preparation and maintenance of full readiness for commencement of negotiations:

- We are securing motivated, efficient, and professional negotiations structure.
- We are securing wide consensus between the political parties, but also wider society around the essential reforms related to our accession to the European Union. We will appeal to everyone to put the EU membership before their political interests and to provide support to the implementation of the EU priorities and recommendations of the European institutions.
- We have a database of all domestic experts and professionals from the diaspora who will be actively involved in the working groups for negotiations.
- We will create conditions for better infrastructural connectivity with Brussels. We will investigate the opportunity to sign a strategic partnership with a European airline for setting a direct, frequent line with Brussels.
- We will create a special budget Programme for negotiations with the EU in the budgets of the ministries and other competent institutions.
- In consultation with the universities, we will support new or adjusted educational Programmes which will build staff for the needs of the country in the European institutions.
- We will proactively cooperate with all institutions, political parties, business community, civil sector, and media to bring the negotiations process closer to the citizens. We are negotiating and working on behalf of the whole country. That is why the negotiations will include everyone: the Government, the administration, the Assembly, the regulators, civil sector, academic community, business world.
- "EU info network" – the existing EU info points will be transformed into regional centres for Europe where daily presentations will be given for the possibilities for the citizens and the business sector for use of the European money and constant education for maximum absorption and use of the instruments which are offered by the accession process.

There are numerous opportunities arising from the economic and investment plan of EU for the Western Balkans for recovery of the economies and improvement of the competition. We are expecting to maintain solidarity as top European value, and the assistance plans to be based on direct investment for development and support of the companies and cheap loans instead of

expensive ones, unreasonable saving, and long-term indebtedness.

All funds, no matter the sector, will be used for reinforcement and reforms of the institutions and the policies, for advancement of the dialogue with all stakeholders and will measure their impact over the social inclusion, gender equality, protection of human rights and environmental protection.

The objective of the Government will be to bring the funds closer to the citizens – to make the funds more available and more visible. This means that, beside national institutions, the new funds from IPA 3 Programme will be secured for the municipalities, schools, unions, marginalized groups, employers, unemployed, small, and medium enterprises, civil organisations, universities, and research institutions, even for informal groups of citizens.

Being aware for the challenges in the absorption power, the Government will invest in human capital in the institutions and beyond, to prepare mature projects which will be funded by IPA 3 and preparation of the country for more successful use of the greater European structural and cohesion funds. The projects are developed in several key pillars:

1. Rule of law, foundation rights and democracy.
2. Good governance, harmonisation with the European standards, strategic communication, and good-neighbourly relations.
3. Green agenda and sustainable connectivity – environment and climate changes / transport / digital changes / energy / circular economy.
4. Competition and inclusive growth – structural reforms / capital investments / construction of administrative premises.
5. Inter-regional and cross-border cooperation – INTERREG/CBC.

Therefore, we will create:

- National strategic document for bilateral assistance, such as the National Strategic Document for European Assistance; a document for assistance from other countries (bilateral assistance)
- Budget line for negotiations and policy development. The need of providing such flexible financial package arises from ad-hoc needs arising in the phase of harmonisation with the EU legislation, and which could not have been foreseen in the phase of IPA funds Programmement
- Guarantee fund for cofounding of projects and assistance in development of quality and mature EU projects, support through vouchers and framework consultations. Preparation of projects is a commercial activity; therefore, we will stimulate individuals and enterprises to start working in this business and in the development of the voucher system. This system is especially convenient for micro, small and medium enterprises for the use of the Union's Programmes funds, especially in developing innovative and digitalised solutions. The voucher system will be available for other target groups, such as farmers in development of projects from the IPARD Programme, educational institutions for the Erasmus+ Programme, etc. The

system of consultants will be strictly regulated following the example of EU and their framework consultants; they will have additional benefits, mostly in the form of tax reliefs.

- Guarantee funds for cofounding of projects and connection with a status of public interest. Each organisation which will attract European funds and thus, will be awarded with cofounding assets, will receive the status of "organisation of public interest" and will have additional benefits, mostly tax reliefs.

There are no successful EU integrations without quality people in the institutions: motivated, competent, well-trained people with integrity who will be the pillars of the process of positive change. We will develop comprehensive, smart policy for maintaining the human capital.

Good Neighborliness and the Open Balkan Initiative

The Government will continue to maintain and develop good neighborly and friendly relations with all five of its neighbors, constantly initiating new Programmes and projects to connect the citizens of North Macedonia with the citizens of Greece, Bulgaria, Serbia, Albania and Kosovo.

The Government is committed to the full implementation of the Prespa Agreement with Greece, as well as the Agreement on Good Neighborliness, Friendship and Cooperation with Bulgaria in accordance with the undertaken bilateral obligations and is committed to close cooperation with its neighbors and solutions to all open issues in the spirit of European values.

The Open Balkan Initiative stems from the Berlin Process and was initially referred to as the Advanced Regional Cooperation Initiative.

"Open Balkan" is currently an initiative in which North Macedonia, Albania and Serbia are members, with an objective of promoting and developing the capacity of the region, along with bringing concrete benefits to citizens and businesses.

This initiative is an opportunity for strengthening regional economic cooperation and promoting the freedom of movement of people and goods.

"Open Balkan" is not an alternative to the EU. "Open Balkan" means faster and more ready towards the EU.

All other countries in the region have an open, public, direct and unequivocal invitation to join. We call for a contribution to the great idea of the Western Balkans becoming an "Open Balkan" that will bring concrete benefits to all our citizens, to make it an important, real part of the daily life of our citizens through the single market.

We signed the Agreement on Interconnectivity of Electronic Identification Schemes for the

Citizens in the Western Balkans and the Agreement on Conditions for Free Access to the Labour Market in the Western Balkans.

With these agreements we provide the citizens of North Macedonia, Albania and Serbia with access to electronic services on the national portals of the three countries by creating an "Open Balkan" electronic identification, which enables the implementation of the possibility for facilitated and unhindered access to the labour market in the three countries, and the Agreement on Cooperation in Veterinary, Phytosanitary and Food Safety is already being implemented, resulting in shortened procedures at the border crossings, i.e. if the goods leave Saranda in Albania and have to go to Subotica in Serbia through North Macedonia, the three countries recognize each others' laboratory analyzes, harmonization of the documents for the goods of animal and vegetable origin is done, thus cutting the usually lengthy waiting at the borders.

"Open Balkan" leads to the erasure of borders as administrative barriers and provides the four European freedoms for the movement of people, goods, services and capital.

In tourism, the cooperation between the tourism agencies from the three countries will be intensified, aimed at establishing a joint offer to the world markets, which will promote the "Open Balkan" as an attractive destination.

Ideas and projects for regional wine tourism are being developed through more successful presentation of the world wine fairs and cooperation for the advancement of the industry, and already in May 2022 we will have the first "Open Balkan" wine fair for greater affirmation of wine from the region.

The "Open Balkan" countries are also working on establishing a joint film fund to which co-productions initiated by the three countries will apply.

The three governments also pledged to intensify contacts, acquaintances, exchanges and joint initiatives between the youth of our countries through organization of events: joint vacations, sports tournaments and cultural events, science-research hubs.

Us in the world

We have become an example in the region for friendship and cooperation. Resolving disputes with neighbors has led to the creation of new positive economic and financial flows and brought fresh energy to regional co-operation in the Western Balkans.

The primary interest of MK in the regional cooperation is to develop practical measures for facilitating the everyday life of the citizens and removing the barriers for easier trade, more investments, greater mobility of human capital and faster digitalization and modernization of the Western Balkans. Through such regional cooperation, we, the Western Balkans countries, show

maturity that we can do something for both the region and our citizens.

The Government of the Republic of North Macedonia will continue to build and restore the positive climate of cooperation, trust and respect between the countries in the region. We will open 6 new border crossings with the neighbors in order to enable easier communication at the border points: Strezimir - Restelica (with Kosovo), Maiden - Promahi and Markova Noga (with Greece), Klepalo (with Bulgaria), Lojane - Miratovac and Golesh - Bosiligrad (with Serbia) and Dzepishte - Trebishte (with Albania).

Prespa as a geographical region unites three countries, three nations, different ethnic groups, languages, traditions, cultures. Its richness of diversity unites exceptional natural treasures and cultural and historical heritage.

The Ministry of Political System and Inter-Community Relations and the Ministry of Foreign Affairs will jointly establish an international forum for resolving international and internal open issues, which will result in new initiatives for regional cooperation in the spirit of the Ohrid and Prespa Agreements. Specifically, the Government will start a procedure for construction of Prespa - Regional Dialogue Centre, where Prespa Forum Dialogue will take place in the future.

Leading a recognizable policy, we will actively participate in the work of the Council of Europe, UN, OSCE, WTO, UNESCO and all other international organizations we are a member of which, we will strive to promote the successful model of interethnic relations in the country and good neighborly policy.

The Republic of North Macedonia is a credible partner in the combat against terrorism and a member of the Global Coalition to Defeat ISIS. In this regard, it strongly supports NATO's role in the international community in the combat against terrorism.

In foreign policy, the Government will adopt a Public Diplomacy Strategy that will carefully define the objectives and directions, as well as the responsibilities of all relevant and competent institutions, and will harmonize the foreign policy goals and the national policy. In addition to representatives of government institutions, non-governmental and international organizations will be involved in the development of this Strategy. We will establish a Network of our successful citizens abroad and will call upon their assistance in our efforts for promotion of the country. We will also make a targeted promotion of the economic, cultural and tourist potentials: "Land of Opportunities" (with emphasis on the new successes in culture: Oscars, Eurovision).

The Government will continue to invest in a quality diplomatic network, with optimization of the diplomatic missions and strengthened human and technical capacities in them. The Sector for Public Diplomacy will carry out concrete and thorough preparation of the diplomatic staff with elements for their diplomatic activity in the direction of public, cultural and economic diplomacy.

Economic diplomacy will be an important priority of the overall diplomatic activity. In that direction, the concept and the action plan have already been prepared and approved by the Government, and the trainings for the economic advisors will be intensified. As a country that stands firmly in support of multilateralism, as one of the most important civilization benefits of modern times, we plan to actively participate in all multilateral organizations. Chairmanship of the OSCE in 2023 is a great diplomatic success, which offers an opportunity for a new, better international positioning of the Republic of North Macedonia. In addition to OSCE, the country will undertake the commitment and ambition to increase the level of our participation in the Council of Europe, in the bodies of the United Nations, as well as in all other multilateral forums that share common values with our international friends and partners.

The Government has already adopted the first National Strategy for Cooperation with Diaspora. With that we have set a strong bridge that will result in quality and constructive cooperation between the state and the Diaspora in several areas, such as: political-legal and consular issues, economy, education, science, youth and culture. The Government will continue to provide financial support for Diaspora projects, such as over 50 projects in the past 3 years. Thereby, for initial investments, compared to domestic and foreign investors, the financial support from the state is higher by 10% for the Diaspora investors.