

PROPOSAL

Respecting the will of the citizens of the Republic of North Macedonia expressed at the early parliamentary elections on July 15, 2020 and reaffirming the commitment of all citizens to peace, stability and security, good interethnic and neighborly relations, sustainable economic development, rule of law, clean environment and social welfare; and

Having joined NATO, firmly determined to obtain membership in the European Union as well;

The political parties that won the majority of seats in the Parliament of the Republic of North Macedonia adopted a decision to create a parliamentary majority in order to form the Government of the Republic of Macedonia with a mandate to implement the political commitments in this

2020 – 2024 OPERATIONAL PROGRAM OF THE GOVERNMENT OF THE REPUBLIC OF NORTH MACEDONIA

The parliamentary majority expresses its strong political will to form a Government that will guarantee **continuity** in the implementation of the common strategic priorities: NATO and European Union membership, good neighbor and interethnic relations, internal cohesion, tackling the global Coronavirus pandemic and introducing **fresh energy and determination** in the creation of more dynamic economic growth, sustainable development, modern education, efficient rule of law and strong institutions.

Transformation of the Economy (MK Restart) to Ensure Accelerated Growth and Higher Living Standard

The Government of the Republic of North Macedonia puts forward an ambitious and comprehensive concept aimed at continuing with the positive policies initiated and enforcing bold, coordinated, negotiated and effective policies contributing to the adaption of our economy to these new times. Over the last 3 years, we have demonstrated our ability to provide higher economic growth (in 2019, GDP grew by 3.6%) which creates new jobs (60,000 new jobs were created in two years), while also providing higher wages (the average wage grew to a historically highest amount of MKD 27,206). It was thus shown that historically lowest unemployment figures (in 2019, the unemployment fell to 16.6%) can be achieved in parallel with an increase in the minimum wage from MKD 9,000 to MKD 14,500 in less than three years.

The crisis caused by COVID-19 hit both our and the global economy hard. All relevant institutions predict that the world will enter a recession this year, as is already evident in the case of our traditional economic and trade partners. The blow was equally hard on the largest and most developed economies as well. The most powerful economies are entering a period of recession and reporting a significant increase in unemployment and notable pressures on their social and health systems.

This resulted in reduced orders for our manufacturers, difficulties in shipping and supplying raw materials, as well as in severely lower consumption on the domestic and world markets. The restrictive measures aimed at protection against COVID-19 further slowed down or halted the production processes and diminished the revenues of our companies. The entire country, all of our

citizens, institutions and the overall economy have been and still are put to the hardest test thus far. We were not immune to this global crisis, but were able to and did provide a proper and quick response.

Our goal is not only for the Government to be a successful crisis manager, but also for the country to overcome the crisis quickly and return to the path of growth and development, to implement its fundamental policies, as well as to prepare for the "new normal" after COVID-19 in the shortest period possible, by paving its path to Europe with reform policies and accelerated, inclusive and sustainable growth in order to upgrade the standard of living and quality of life of its citizens to EU levels in the medium term.

We plan to focus entirely on implementing the key process of transformation of our economy. With the entry in the NATO Alliance and the start of the European Union accession negotiations, we are finally joining the club of the most developed, richest and most capable countries.

We are entering the common European market with new strength and new opportunities. The government's objective is to transform our economy into a more competitive one, initially at home and then also abroad. The economy growth will be based on a strong wave of public investment, domestic and foreign direct investment, and, most importantly, innovation in all sectors, in order to significantly increase the productivity, quality and added value of products and services. Digitalization is becoming an essential process in aiding the economy to become more efficient, the quality of life to increase, and the results to be effective.

To ensure successful transformation of our economy into a dynamic, open and competitive one, we put forward a stable macroeconomic framework in which the tax system will be predictable, efficient and fair and will significantly reduce the shadow economy and encourage private initiative and investment. We will considerably strengthen the capacity for implementation of public investments. Capital investments will be a generator of public investment consumption, allowing us to fully focus on the huge potential of domestic consumption and investments.

By the end of this term, we will restore our economy growth to achieve solid and sustainable 4%. We undertake to maintain the minimum wage amount at MKD 14,500 during the crisis. Following the end of the crisis, the Government will continue with its proven commitments: 1) increasing the minimum wage by the end of its term by 20% to 40%; and 2) increasing the average wage by the end of its term by 20% to 30%, depending on the length and impact of the epidemic on the global and national economy.

Our plan is to maintain the amount of foreign investment at the level of at least EUR 1 billion over 4 years, with a focus on innovation-based investments, highly finished products and services and sustainability of businesses.

The government will create a legal and financial framework that will raise the level of public investment to EUR 2.2 billion, with the expected direct private investment amounting to EUR 1.2 billion over the entire term. To that goal, the Government will completely reconfigure the public capital investments procedures and system through a Monitoring Unit under the Ministry of Finance and a Central Public Investments Support Unit at Government level, with the single objective of timely, complete and transparent execution of budget expenditures and, particularly importantly, of measuring the results and impacts of economic policies on economic growth and development. In addition, the Government will set up an Investment Task Force (ITF) for every major capital investment, composed of local and international experts.

In stages and through several pilot institutions, the Government will begin introducing budget funding in line with the principle of meeting performance indicators (smart KPIs), with each department having its own development indicators to be defined at the beginning of the year and monitored on a quarterly basis. Subsequent quarterly amounts of funds will be approved based on the percentage of achievement of indicators measured. Our goal is to encourage the institutions to increase the annual programs implementation levels and to ensure ongoing allocation of funds to areas in which there is implementation capacity and ability (return to the economy / citizens).

We will maintain the unemployment rate stable throughout the crisis; following the end of the crisis and until the end of our term, we will continue reducing the unemployment by 3% per annum, as we have done in the past three years. Our goal will be single-digit unemployment levels following the end of the crisis.

To support such dynamic growth, we will provide direct support to domestic and foreign investments in the amount of EUR 300 million from the national budgets and by direct allocation of the EUR 300 million expected to come from European funds. The direct support for domestic companies will be provided in accordance with the Economic Growth Plan and the Law on Financial Support of Investments, by providing advance financing for export-oriented technological and innovative undertakings in the amount of 10% to 15% of the projected investments.

Through its Economic Growth Plan, the Government will keep increasing the scope of financial support for domestic companies by 25% year on year.

Having in mind the impact of the global pandemic on the national and global economy as well as the need to encourage investment activities in times of crisis, the Government of the Republic of North Macedonia will introduce a development bond in the next 6 months, as a proven best practice of co-investment of citizens and businesses in innovative economic development. The goal will be to finance development projects generating returns on assets in the form of revenues, ensuring cost reduction, and encouraging development in terms of increasing productivity and modernization of production processes (infrastructure, co-financing private sector investments, energy efficiency and public sector digitalization).

The government will conduct analyses to consider gradual liberalization of the investment policies of private pension funds in the second and third pillars of the fully funded pension insurance system. The analyses will be carried out in cooperation with an international financial institution and/or a European partner (EIB, European Commission) and are to determine the justification of such liberalization as well as a model of incremental increase of the amount of assets (% of the portfolio) that the pension funds can invest in projects that have higher returns earning potential. The approach is also directly related to the introduction of the "life cycles" model and a higher risk portfolio, which will provide higher returns on investment for young pensioners as well as another, conservative portfolio for older, more risk-averse retirees.

The establishment of a special equity fund in 2020, as part of the Economic Growth Plan, will create significant incentives for the entry of foreign investment funds. The equity fund will be managed by a fund management company, selected on the basis of an international call for tenders. The best bidder selection criteria will require that the bidder invests its own or private investment funds on top of the funds provided by the state.

Predictable Business Environment

With the start of negotiations, we will bring the business environment in line with the EU regulations. We will guarantee predictability in the area of tax policy as well. Profit tax will remain at 10% throughout the entire 2020-2024 period, and we plan to introduce exemption from this tax of profits reinvested in 2021 in response to the impact of the COVID pandemic. Personal income tax in the IT industry will be incrementally reduced to 0% by 2023 as follows: 5% in 2021, 3% in 2022 and 0% in 2023. General personal income tax will remain at 10%; we will, however, remain committed to the introduction of progressive taxation through an inclusive process of consultations and arriving at a consensus concerning the introduction of such taxation. In addition, a process of tax system discussions will be initiated regarding the ratio of direct to indirect taxes, i.e. the ratio of property, income and consumption taxation in line with the practice of developed countries and the specifics of our economy. We will remain committed to fairness in taxation, by offering a well-thought-of system of progressive taxation of the overall personal income, following a serious and in-depth analysis and public debate, with a focus on reconfiguring the personal (household) income concept and introducing luxury tax.

The Government plans to reconfigure the VAT by means of:

- enactment of a new Law on Value Added Tax stipulating tax benefits for export-oriented companies in such a way that they will be exempted from paying VAT on raw materials and machines intended for export. Such companies will thus be more competitive and will have considerably more funds available;
- 10% VAT for all restaurant services;
- Revision of the VAT rates on raw materials for domestic producers and reduction of the VAT rate for agricultural producers and the VAT on raw materials for export-oriented companies
- Reduction of VAT on craftsman services from 18% down to 5%;
- Raising the VAT registration threshold from 2 to 3 million MKD of annual turnover as from January 1, 2022 and application of the same profit tax exemption threshold as the one applicable for annual turnovers of up to MKD 3 million.

The Government will continue with the successful My VAT Project and will increase the quarterly limit per individual to MKD 2,300 and the annual one to MKD 9,200, i.e. to MKD 36,800 for an average four-member household.

The Government will continue with the timely, regular and non-selective reimbursement of VAT to legal entities.

Under a new Law on Customs Tariffs and through accelerated adjustment (abolition and elimination and reduction of customs tariff rates) in correlation with the customs tariffs in the Common Customs Tariffs of the European Union, the Government will provide lower prices of raw and processed materials for domestic companies, thus making the latter more competitive in their export undertakings.

The Government will create conditions for sustainable self-regulation in the corporate accounting and auditing sector, full implementation of the International Accounting Standards for the SME sector by 2023, and refinement and improvement of the accounting and auditing system in the overall public sector.

The Government will introduce a new sales tax on games of chance at a rate of 4% of the gross amount invested. The tax will be paid by providers of games of chance and will not be

transferred to the users. These funds will be used to support growth, development and social responsibility. In addition, the Government will propose a bill banning the opening of casinos and games of chance near schools, kindergartens and religious buildings.

Greater Support for Domestic Companies and Sectors

Our goal is to create an environment for dynamic and competitive business, free from political influences, to minimize the administrative procedures and barriers, and to fully utilize the entrepreneurial spirit and knowledge of the domestic human capital. The transformation of the economy will be followed by a series of well-thought-out, practical and sustainable support measures, which will actually help our businesses to be growing, developing and sustainable. Just as before, the key support will be provided for the micro and small companies, which are the driving force of our economy, the largest employment sector, the value creator, and the biggest consumer.

We will go on with the implementation of the Economic Growth Plan and the measures set forth in the policy, increasing the fund by at least 30% annually.

We will allow for the establishment of a company with a minimum amount of share capital of 1 Euro. This measure will offer the citizens the opportunity to establish a company at minimal costs and to realize their ideas and business plans through start-ups. We are convinced that the Macedonian citizens have ideas and, since ideas *are* capital, we are opening the business sector, making it accessible to all and inviting people to enter into a competition of ideas and competitiveness.

The Government will abolish the personal income tax (known as personal tax and implemented as a tax refund) for the categories of activities involving training, qualifications, obtaining licenses (strictly limited to the companies' main activity) that will contribute to the promotion of the quality of the workforce at the disposal of companies. We will introduce a complete change in the company name display fee amount and payment system, according to the size of the company, the number of employees and its annual income.

We will abolish the company name display fee for the first two years for all newly established companies and will drastically reduce the costs of obtaining the legal documentation required for the regular operation of businesses (documents issued by the Central Registry, customs-related documents, documentation required for participation in tenders, and documents issued by other state institutions). For instance, we will introduce drastic reductions in the price of issuing a current company status statement.

Business start-ups need assistance in meeting the regulatory requirements. The Central Registry of Trade Companies will be required to issue an "Information Guide" containing all of the relevant information for doing business: the required documents that companies must possess, the VAT registration procedure, the conditions to be met in accordance with the inspection requirements, the rights and obligations arising out of the Employment Law, the opportunities provided by the state in the form of subsidies and support for enterprises, the manners of accessing and obtaining documentation from state institutions, as well as other information to facilitate the operation of businesses.

The Government will initiate the process of reducing the parafiscal charges up to 75% and of adjustment of such charges to the size of economic entities through a dialogue with the chambers of commerce. We will create a registry of parafiscal charges that will be regularly updated and

supplemented, to ensure that companies will have an insight at all times and will be able to properly plan their financial activities. We will thus, for instance: abolish the fee for connecting fiscal devices to the PRO servers and the fee for turnover control performed by the PRO; regulate in detail the servicing of companies' fiscal devices which will be free of charge for all commercial entities using such devices; extend the deadline for replacing the cash register SIM card from one to three years; and limit the amount of the price of mandatory systematic medical examinations of employees.

We will introduce European standards in the car liability insurance by reducing the cost of international insurance, as a result of the liberalization of car liability insurance prices and solving the problem with uninsured vehicles.

We will continue to improve the support system for environmentally friendly vehicles (with a focus on electric and hydrogen vehicles) and for lower to medium value vehicles by abolishing or reducing tax and non-tax duties (such as vehicle sales tax, VAT, custom duties, registration costs, tolls, etc.). We will be strongly committed to regulating the used car market and consumer protection through a system of quality assurance and inspection of the declared vehicle parameters, as well as by introducing a penalty provision on mileage-related fraud.

We will introduce a law on personal bankruptcy as a model providing protection of debtors' existential needs based on non-enforcement of a certain amount of their debt and prevention of new borrowings, as well as protection of creditors by enabling them to collect actual amounts. The law will not create a debt spiral system.

We will regularly publish a white list of taxpayers, i.e. companies that pay their taxes on a regular basis. We will include the state and government institutions in the Law on Financial Discipline and make their obligations equal to those of the private sector.

The Government will propose a new bill on e-commerce in order to regulate the business and combat unfair competition and tax evasion. This law should essentially regulate e-commerce through the introduction of provisions on e-invoices, e-fiscal accounts and e-payment. The law should provide great benefits for micro, small and medium enterprises and their involvement in the global supply chains and the global trade.

The Government will propose a special law on business angels and amendments to the Law on Investment Funds, to significantly reduce the restrictions on the establishment of investment funds. We will allow for the formation of hybrid venture capital funds, that is to say we will stipulate funds in which, in addition to the Government, institutional and private investors, corporations, banks, pension funds and business angels will be also able to take part as investors.

We will subsidize the costs of export companies with TUV and CE certified their products related to participation in one fair per year in Europe and one fair per year of their own choice in the US, Africa or Asia, in the amount of 50% of the participation costs.

The Government will propose an improved institutional solution to support the enhancement of the potential of development zones. At the same time, all procedural and logistical obstacles for the operation of the Tetovo development zone, including a customs terminal, will be completely eliminated; in addition, the Government will also assist in the development of the infrastructure in the Vizbegovo industrial zone.

The Government will initiate a process of further capitalization of the Development Bank of North Macedonia and will allow for clear, measurable and effective instruments of financing the

export needs of companies, i.e. direct export financing and increasing the volume of exports and the competitiveness of Macedonian products and services.

In support of the fight against unfair competition, appropriate measures will be introduced to prevent the performance of activities that companies are not registered for and the Law on Prohibition and Prevention of Performance of Unregistered Activities will be harmonized with all laws governing the work of the inspectorates. This will result in reduction and elimination of the shadow economy and unfair competition faced by registered private companies and sole proprietors abiding by the law, meeting the standards and properly registering and paying their employees.

In the field of tourism, the Government will provide an alternative and cultural tourism subsidizing system. The archeological sites will be fully developed and made available for visits by domestic and foreign tourists. We will enable nationwide use of free Wi-Fi by clicking on a link that will lead to the promotional site of municipalities, regions, points of entry into the country, rest areas, and gas stations.

In order to take advantage of the growing demand for profiled mountain tourism, we plan to set up a special Office for Mountain Tourism and Sites, to be in charge of: defining and managing the expected public and private domestic investments as well as foreign investments; application of a system of changes in this segment; and positioning the country on the regional and European integrated mountain tourism map. The Office will focus on the development of Shar Mountain, Mavrovo, Matka, Pelister and Galichitsa. Additionally, we will start the preparations for development of tourism on Tsarev Vrv on the Osogovo Mountains, as a central point for winter and mountain tourism. In the case of Popova Shapka, the Government will consider different models for its development as a regional tourist center, including the possibility of private investment or public-private partnerships that would enable the construction of a cable car from Tetovo to Popova Shapka. At the same time, the Government will start the reconstruction of the existing mountain lodges and the construction of new ones by defining a model for management of and investing in such lodges and marking and promoting official mountaineering trails.

The Government will support the development of iOS and Android applications for tourism in Macedonia, divided into sectors (summer, winter, mountaineering, cycling, camping, archeological sites, wine tours...), following the example of the spatial planning information system.

The Government will provide incentives for 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 aimed at promoting the country as an enjoyable place and a recognizable and growing tourism brand and will stimulate economic entities that finance/sponsor domestically produced videos promoting the country.

The Government will launch the Star Plus project for state subsidies in the amount of 50% of the investments by registered hospitality capacities aspiring to obtain a higher degree of categorization of their facilities in all key tourist destinations.

Innovative Economy

The Government of the Republic of North Macedonia will pursue an economic policy aimed at developing innovation and investment in technological development, as an opportunity for the desired transformation of the economy. Such an economy creates more added value, develops the human resources and provides higher productivity and higher wages.

The process of analysis and recommendations for further enhancement of the Innovation and Technological Development Fund, its transformation and ensuring the sustainability of the established support mechanisms and results in the medium and long term will be completed by the end of 2020. The process is implemented with the support of the World Bank and the United Kingdom. It will also allow for the entry of foreign investment funds as strategic partners of the Fund, in support of economic growth based on innovation and introduction of new technologies. The two processes will enable the state - as an existing and future investor – to earn direct returns on its investment (in accordance with its own policies and measures), while also allowing for the implementation of other development policies (support and development of talents, encouraging research and development, etc.).

The Government will consistently implement the project of North Macedonia becoming a regional start-up accelerator, thus turning into a center for development of new businesses of young entrepreneurs with the potential for rapid growth. With the introduction of the regional accelerator, the scope of applicants will be expanded to include the Western Balkans countries as soon as within 6 months from the announcement of the first open call. In addition, appropriate application criteria will be applied to encourage the linking of business ideas from several countries in the region and thus expand the "start-up" market from 2 to 17 million consumers. The existing model of support for start-ups and accelerators - developed and piloted in the past two years in North Macedonia - will be applied as the program implementation and monitoring model.

The Government will continue to invest in the science and technology park that commenced its operations in March 2019, to ensure that it will be fully operational in 2025. According to the Feasibility Study conducted by EC experts for the needs of the Fund, the estimated value of investments in the physical infrastructure amounts to approximately EUR 80 million. Society digitalization and technology transfer programs have already been piloted in the technology park. A preliminary design for a new space for premises for start-up companies has already been developed and is to be implemented in 2020.

The Government will establish a "Start-up Village" in the former (state-owned) "Macedonian Village", which will offer an opportunity for numerous young people from the country and abroad to start their own businesses without having to pay for overhead costs. The project will be implemented in 5 cities, providing opportunities for co-working at dedicated state-owned locations.

The Government will initiate the Regional Medical Research and Diagnostics Center project, thus allowing for the entry of new technology and know-how and full utilization of the existing human potential in the field of medical research and diagnostics. The possibility of focusing one of its components on cardiovascular medicine is under review. The project will be implemented by 2024 through a public-private partnership, with the preparatory activities for spatial planning and provision of the urban planning documents required already underway. The Fund and the Ministry of Health have already signed a Memorandum of Cooperation with the State of Israel. The estimated value of the investment is EUR 20-25 million.

Within 12 months, the Government will establish a research grants system that will entail higher education institutions and their engagement in the support of innovation-based accelerated growth.

We will not stop only at the above innovative models for transformation and development of the economy. What we need is a continuous model of open innovation, including the public sector. We are fully committed to making use of both foreign and domestic know-how in the creation of new, additional models to ensure the functioning of key processes. The objective is to

offer higher quality and improved execution of public expenditures and capital investments by introducing new (innovative) modus operandi of the institutions (as the ones mentioned above).

Investing in Our Citizens

In the course of its previous term, the Government of the Republic of North Macedonia demonstrated that higher wages translate into more satisfied workers and increased productivity. We will continue with such a policy during this term as well. Growth and development require knowledge and satisfied workers, who know that they are fairly rewarded and valued for the value they create in our country.

The Government's policy throughout this ongoing term will be to continue bringing down unemployment and stimulating wage growth, as outlined above.

It will be the Government's goal to succeed in reducing the unemployment by 3% annually. We will fight for every single job throughout the crisis caused by COVID-19, as we have demonstrated to be committed to during the first wave. We will do that through:

- Provision of MKD 2 billion annually for the active measures of support for the employment and self-employment
- Supporting the sectors most affected by the crisis caused by the epidemic by facilitating the preservation of jobs
- Continuing to subsidize the contributions for companies that will increase the salaries of their employees in the amount of MKD 600 to 6,000
- Further regulation of seasonal work, in order to extend the seasonal work period, as well as allowing for greater freedom in employment contracts, i.e. the opportunity for the employer to pay contributions or compensation to seasonal workers in non-seasonal periods.
- Establishing a voucher system for the payment of social contributions for seasonal workers, thus directly contributing to the reduction of the shadow economy and the protection of "invisible employees" who perform works but are unable to enjoy any benefits or legal protection
- Abolishing the possibility of working in the public sector after the age of 64, except for deficient staff (such as health professionals and academic personnel). This will open more opportunities for young people to work in the public sector, as well as to reduce the administration in departments where there is no need to save particular jobs
- Offering the concept of flexible working hours on Fridays and the opportunity of reductions in the number of working hours during the week, to ensure greater professional/family life balance.

The creation of appropriate economic and social policies requires a complete and clear picture of the specific economic and social conditions at the national and local levels. To this end, it is crucial to conduct a population census as soon as possible. The main focus should be placed on the missing socio-economic data, while building confidence in the process and results through equitable representation of all ethnic communities in the census process.

In this area, it will be the main task of this Government to restore the confidence of young people in a certain and secure future in the country; we will, therefore, also pursue targeted policies to increase youth employment, as follows:

- Continuation with the payment of monthly youth allowance in the amount of MKD 3,000 for employed young people at the age of up to 23, who have completed at least secondary education and work in production

- Personal income tax reimbursement for all newly employed persons under the age of 30 in the first two years, with the funds being credited directly to their accounts
- Tax exemption for all newly incorporated private enterprises, founded by young people at the age of up to 30 or by women, for as long as the turnover is below MKD 3 million
- Direct support for youth and women entrepreneurship through grants in the amount of EUR 5,000 to 15,000 for starting their own new businesses
- Establishment of a Young Minds Fund welcoming young people who have left the country and have proven themselves and achieved results in science, business, and other fields. They will be engaged as mentors of children and youth in the homeland
- Enactment of a Youth Guarantee Law, institutionalizing this form of support for young people until employment
- Establishment of a scholarship fund for young people engaged in crafts
- Intensified practical teaching in secondary vocational schools, through models of cooperation with the associations of chambers of commerce and the local self-government, as well as youth entrepreneurship contests
- Cooperation on the so-called triple helix model, under which the academia, the business community and the Government will jointly develop curricula that is adequately responsive to the needs and demands of the labor market
- Enactment of a Law on Support of Social Entrepreneurship focusing on youth and women and opening three social enterprise support centers
- Provision of a possibility for full-time students to enter into regular employment with a defined number of working hours - an option available to students in most European countries.

Safe Transport

The economic development, stability and communication with the countries in the region and Europe are directly dependent on the transportation infrastructure. Fast and safe roads, as well as shorter transport time are the main elements of a modern infrastructure of a country and thus also of happy citizens.

The Government of the Republic of North Macedonia will continue to implement the ten-year road infrastructure development, modernization and safety strategy through major investments in the amount of additional EUR 2 billion.

In the course of this term, we will start or complete the construction of the following roads:

- highways of a total length of 260 km, as follows: Kichevo - Ohrid (under construction), Skopje - Blatse (under construction), Veles - Prilep - Bitola (we have started with the development of project documentation), Struga - Trebenishta, Struga - Khafasan, Gostivar - Kichevo and Tetovo - Gostivar (extension of an existing highway section)
- express and regional roads of a total length of 300 km, as follows: Smokvitsa - Strumitsa - Novo Selo; Bitola - Medzitlija bypass road; Shtip - Radovish (under construction); Izvor-Boshkov Most; Shtip - Kochani express road (we have launched the first section between Shtip and Krupishte, while continuing with the Krupishte - Kochani section, which is under construction); Kumanovo - Kriva Palanka; Kumanovo - Rankovtse section and Rankovtse - Kriva Palanka section (under construction); Delchevo - Kochani, Gradsko - Prilep (under construction); and the Tetovo ring road (Trebosh-Poroj-Neproshteno junction). Based on a feasibility study and in cooperation with Kosovo, we will conduct an analysis to opt for an economically justified solution for the Tetovo-Prizren road.
- local roads of a total length of 950 km: the Government will continue with the investments made in the past three years in the construction of local roads throughout the country aimed at improvement of the overall living conditions. Funds for the rehabilitation of over 450 km of local roads and streets have already been provided under this program, which will allow for easier and safer access of citizens to hospitals,

schools, sports facilities, cultural and religious centers and other facilities of public and social interest. Out of the total amount of EUR 70 million, each municipality will have at its disposal funds in the range of EUR 500,000 to 1,600,000 earmarked for construction and rehabilitation of local streets and roads. In agreement with the World Bank, a portion of these funds was urgently reallocated to programs coping with the global pandemic, and the Government will provide additional funding for these projects, along with additional funds for another 500 km of local roads.

- rehabilitation of roads in a total length of 1,500 km: Katlanovo – Petrovets; Hippodrome – Petrovets; Miladinovtsi – Petrovets; Miladinovtsi – Hippodrome; Skopje – Blatse; Katlanovo – Veles; Veles - Gradsko - Negotino - Demir Kapija; Bitola - Demir Hisar; Krushevo - Demir Hisar; Drugovo - Demir Hisar; Krivogashtani – Krushevo; Krushevo-Sliva-Pusta Reka; Bitola - border crossing with Greece; Farishka Klisura – Prilep; Karpalak – Zhelino; Mislodezhda – Zbzhdi; Podmolje - Struga – Khafasan; Ohrid - Sveti Naum; Kichevo - Makedonski Brod; Mavrovi Anovi – Zhirovnitsa; Nikiforovo - Leunovo – Bunets; Uzem – Toranitsa; Makedonska Kamenitsa – Sasa; Kumanovo – Stratsin; Kochani – Ponikva; Strumitsa – Berovo; Sveti Nikole – Neokazi; Kondovo – Radusha; Gevgelija – Bogdantsi; junction T of the Tabanovtse highway; and Karpalak – Zhelino highway.

In parallel with these projects, the Government of the Republic of North Macedonia will invest in the construction of bridges and in the repair of blind spots, as well as in increasing the overall traffic safety on the roads in the country. The works will start with the construction of an intelligent transport system (ITS) on Corridor 10. The system provides control and information in case of poor weather and road congestion, measurement of the traffic density and weight of heavy vehicles, control of the transport of hazardous goods, etc.

The government will set up an infrastructure in charge of monitoring and improving the road safety system.

Special focus will be placed on the renovation and expansion of the two border crossings of Khafasan and Deve Bair, thus improving the working conditions in the administrative buildings, facilitating customs formalities and allowing for faster flow of people and goods. By the end of 2020, the study of the future development and expansion of the facilities at the border crossings will be completed, to include specific recommendations for future investments and opportunities for joint border crossings. To that end, we will consider the possible expansion of the facilities at the Jazhintse border crossing as well as of the Tetovo-Jazhintse road and the opening of the Lojane-Miratovats border crossing.

The Government will invest efforts in improving the quality of the railway infrastructure through further investments in: the construction of the Kumanovo-Beljakovtse-Kriva Palanka-Deve Bair railway; continuation with the overhaul of the Nogaevtsi-Negotino railway section; the joint border railway station Tabanovtse; development of technical project documentation on electrification of the Skopje-Skopje Sever-Gjorche Petrov-Volkovo-Blatse railway and a joint railway border crossing with the Republic of Kosovo; a new Miladinovtsi-Petrovets Airport railway; development of complete technical documentation for the Kichevo-Ohrid-Struga and Kichevo-Lin, Albania sections; preparation of technical project documentation for the reconstruction and rehabilitation of the Skopje - Kichevo railway as part of Corridor 8; and development of a pilot project for the Zelenikovo - Drachevo - Lisiche - Pintija - October 11 - Skopje Passenger section.

In the field of air transport, the Government will develop a new, functional and sustainable national air transport development strategy. Following the end of the COVID-19 crisis, new destinations will be introduced to increase the number of flights, the number of passengers and the level of safety and to allow for an efficient, orderly, safe and environmentally sustainable air transport system equally available for all.

Construction According to Plan

The Government of the Republic of North Macedonia will continue to work on new legal provisions pertaining to the construction sector to fully harmonize the systemic laws governing the field of construction and urban planning. The goal will be to make the procedures more transparent for the citizens, while protecting and improving the environment and nature. In parallel with this, we will enhance the inspection supervision capacity and the competencies of the state inspectorate for construction and urban planning through the introduction of regional urban inspectors.

In order to strengthen the quality of state-funded construction and to ensure greater integrity of construction tenders and their implementation, we will introduce a centralized process of selection of construction supervision companies. Then, the supervision will be randomly distributed among the projects, to prevent any collusion between the construction companies and the supervision ones, which are always to the detriment of the state and the citizens.

In cooperation with the local self-government, the Government will continue to implement policies of humane spatial planning and development through action plans and implementation of the annual spatial planning program for settlements that have not developed the urban documentation required, to ensure long-term and sustainable economic, social and demographic development of such settlements.

We are also focusing on the construction of new 500 km of water supply and sewage, for which we will provide EUR 100 million for all municipalities in the Republic of North Macedonia.

The construction of wastewater treatment plants naturally remains to be one of the key priorities. These projects contribute to normal life here in the country, while also making a contribution to a cleaner and healthier environment. We will require that, the local self-governments above all, apply with their priority projects in the area of municipal infrastructure. It is only in this way that will we contribute to the development of strong rural areas that are developing in the right direction.

Our goal is to improve the living conditions and raise the living standards of all citizens. We are maximally focused on the improvement of the utility services infrastructure through the construction of water supply, sewerage and treatment plants, as well as the reconstruction of the existing communal network. By investing in the utility infrastructure, we will not only provide a better life for the citizens, but will also create better working conditions for companies in the industrial zones, protect the environment, and contribute to healthy life and a healthier environment.

Agricultural Policy

Agriculture is the second-ranked sector in the country in terms of its share in the gross national product (GNP). It is of key importance to the development of the entire economy, achieving balanced regional development, and maintaining the rural areas in vital condition by creating conditions for the young population to remain in them.

Agriculture and food production are our chance for success. The COVID-19 virus pandemic highlighted even more clearly than before the need of the population to be provided with healthy, safe, quality and diverse food of Macedonian production. The provision of sufficient amounts of quality and safe food for the needs of the domestic clients and the creation of products with added value and their placement on foreign markets translates into a better living standard for the farmer and, consequently, for the entire society.

The goals of the Government of the Republic of North Macedonia are: to achieve an increase in the production and raise the quality of the Macedonian agricultural products by creating conditions for sustainable agriculture and modernization of the primary and secondary agricultural production, as well as environmental protection, food safety and animal wellbeing, that is, to create competitiveness and added value of the agricultural products, while ensuring that the country's own needs are covered by the domestic production. The achievement of competitiveness of the agricultural products will result in a dignified livelihood of farmers and development of rural areas.

We will prepare and adapt our agriculture to the global climate changes via investments and innovative measures that will positively impact the crops and the quality of agricultural produce. The accomplishment of these goals requires not only that farmers be given an opportunity to upgrade their knowledge and skills, but also that the institutions strengthen their capacities. The rural development policy will influence the improvement of the rural population's wellbeing and will create conditions for young people to remain in the villages.

The agricultural sector policies will be in accordance with the general obligations and commitments of the country to adjust these policies to the common agricultural policy of the EU. Hence, the policies in the sector will be directed towards enabling it to function under circumstances of a unified European market, bearing in mind the needs and trends on both the domestic and global markets. The focus of the policies will be shifted towards commercial family farms, such that will be able to specialize in high quality agricultural production, organic production and traditional produce. To this end, the country will: encourage the consolidation of smaller pieces of land; grant state-owned land to the right producers to the degree to which they could use it in the most rational manner; and support investments in modernized and innovative agricultural production.

The activities for the development of agriculture will be aimed at its adaptation to competitive environments, and that can only be achieved by producing high quality and safe products at competitive prices.

We have set out the following activities and measures to provide direct support in the creation of a system of SUSTAINABLE AND COMPETITIVE AGRICULTURAL PRODUCTION:

- Annual financial support of EUR 200 million for agriculture and rural development;
The EUR 200 million of annual financial support for the agrarian policy is aimed at creating conditions for sustainability of the agricultural economies that will strive to increase their production, product quality, environmental protection, food safety, healthcare and wellbeing of the animals, as well as at development of modern and competitive agriculture and products with added value.
- Timely disbursement of the direct support of agriculture: 30% of the amount of the primary measures will be paid out 30 days following the application for support and 70% as per the payment schedule.
Disbursement of the funds to the agricultural economies when they are most needed. Starting from 2021, we will begin paying out 30% of the amount of the primary measures 30 days following the farmer's application for support. The remainder of the funds for the specific measure will be disbursed following a performed inspection, at defined intervals and as per the payment schedule. We will regulate the schedule in a law, so that farmers know when they can expect the funds.
- Increased subsidies for "Green Fuel"
Production costs will be reduced to improve the competitiveness of agricultural products. In the period to follow, we will continue to implement this measure and will keep raising the subsidies of costs for procurement of fuel for agricultural machines every year, until the level of subsidies reach 100% by the end of 2024.
- 10% increase of the support for direct payments for herds of cattle, sheep, goats, sows, slaughtered hogs, broilers, egg laying hens, one day-old chicks, and overwintered beehives.
- An increase of the support for produced and handed over extra quality cow milk by two denars per liter
- Investing in an integrated comprehensive system of control and monitoring of the quality of unprocessed milk
- Reintroduction of the former water economy associations
- Continuing with the process of consolidation of agricultural land
- Support for maintaining perennial plantations
- Establishment of an intervention fund under the direct payments program

- Encouraging the fattening of beef calves over 500 kg.
- Reimbursement of personal income tax to farmers
- Bringing the value added tax for veterinary services from 18% down to 5%
- Encouraging the use of agro-ecological measures

Aware of the need to significantly increase the amount, purpose and efficacy of INVESTMENTS in the agricultural production, we plan to undertake the following measures:

- Provision of support for the procurement of modern machinery, equipment and packaging
- Setting up a Guarantee Fund for crediting and funding agricultural and rural development projects, along with the provision of counselling services within the framework of the fund
- Provision of support for the construction of refrigerators, processing capacities, and purchase and distribution centers
- Provision of support for perennial plantations
- Provision of support for the procurement of high-quality genetic material with a pedigree
- Financial support for dairy cattle and control of the production features
- Long-term grazing leases
- Investing in pasture infrastructures
- Investments in Public Private Partnerships in the agriculture sector
- Investing in the construction of dams and water supply systems
- Investing in afforestation
- Investing in new forest machinery

In order to enforce the policies and activities and to achieve sustainable, profitable, competitive, modern and innovative agricultural production, we will, for the first time in our history, radically boost the investments in one of the most important segments - HUMAN CAPITAL, by applying the following measures:

- Support for young agrarians: We will begin with the implementation of the measure of rejuvenation of the agricultural sector by creating conditions for motivating young farmers up to 40 years of age to remain in the agricultural production (grants up to EUR 20,000). To improve the age structure, stop the aging process and renew the generation of farmers, we will offer assistance to young farmers in the form of: allocation of agricultural land to young farmers managing agricultural holdings; allocation of funds to start an agricultural activity; raising the level of basic subsidies; subsidizing the salaries (by MKD 3,000) of newly employed agricultural workers under the age of 25.
- Support for female farmers who are the foundation of family farms: the plan is to double the support for female farmers by the end of 2024.
- Personnel and financial strengthening of the state advisory system: we will allocate a larger budget for the advisory system, to increase the possibility of enhancing the human potential by hiring educated staff who will be directly involved in solving problems related to the agricultural production.
- In addition, we will provide: various free trainings for farmers in the application of modern production technologies; scholarships for children of registered farmers to enroll in agricultural studies; free education of farmers on more efficient use of IPARD funds and national programs in support of agriculture and rural development; as well as free veterinary health checks, education of farmers and examinations of animals at the farms.

Sustainable, profitable competitive, modern and innovative agricultural production can be achieved with the right LAND MANAGEMENT POLICY. For that purpose, the Government will implement the following activities and measures:

- Sale of state-owned agricultural land to allow for larger food production

- Limiting the size of leased agricultural land
- Allocation of state-owned agricultural land to animal farmers
- Agricultural lands of up to 3 ha will be managed by the municipalities
- Simplification of the legalization procedure for animal husbandry farms

To encourage investments and accelerated economic development of RURAL ENVIRONMENTS resulting in improvement of the well-being of the rural population, to support the creation and development of "smart villages", as well as to provide conditions for young people to stay and live and work in such villages, we will undertake the following measures:

- Distribution of the national budget for direct payments in agriculture and rural development in a ratio of 65:35
- Provision of support in the amount of EUR 10,000 for the development of micro and small enterprises in rural areas.
- Investments in the rural infrastructure.

Aware that the development of agriculture, reduction of production costs, improved competitiveness, high-quality and safe agricultural products require the application of the best practices of developed agro-economic systems, we will particularly focus on supporting the system of INNOVATIONS in AGRICULTURE. This is why we plan to include the following measures in our program:

- Investment in the installation of solar panels for generation of electricity to be used in the irrigation of agricultural land
- Encouraging quality domestic production of seeds and planting material and developing the potential for quality plant production
- Innovative investments in managing climate changes
- Investment in implementing a plant health monitoring and forecast system
- Investment in the use of an electronic wood mass monitoring system

Our Agricultural Transformation Plan stipulates that every farmer should sell their product on the market at the best price. To that goal, we are offering a set of measures for MARKETING and PLACEMENT of Macedonian agricultural products. In order to provide for fair and correct prices on the agricultural products market, we will focus our activities on:

- Encouraging contractual production
- Setting the production price of individual agricultural products
- Provision of support in obtaining the Global GAP certificate
- Provision of support for participation in international fairs and domestic events
- Reducing the expenses and time required for the procedure of placement of food with health declarations, special purpose foods, and food supplements
- Encouraging the consumption of fresh fruits and vegetables grown in the country
- Promoting the production of new agricultural cultures
- Encouraging the production of traditional products and products with protected designation of origin
- Maintaining the health status and wellbeing of animals to ensure unimpeded export of and trade in animals and animal products
- Establishing an animal by-products collection system, linked with our energy and environmental measures (circular economy model) and encouraging the donation of surplus food.

We Will Defeat COVID-19 Together

The COVID-19 pandemic was the most serious test for our healthcare system. Under conditions of the most severe world crisis, we have shown how work is to be done and how we can create enormous trust in the health workers and healthcare system among the citizens. More than 80% of all citizens were satisfied with the manner in which this crisis was managed – a result no one has achieved since our independence.

While some ridiculed the virus and underestimated the danger, we were among the first countries in the region and Europe to take precautionary measures before the first reported case (thermal cameras, contactless thermometers, and isolation and screening rooms at airports and border crossings), mandatory self-isolation for travelers coming to the country, SMS messages sent out to everyone coming to the country with the telephone number of the Public Health Center in case of symptoms).

The citizens were our top priority in adopting all measures. We respected the knowledge and experience of the experts and that led us to accurate and justified decisions. The citizens were informed regularly, accurately and on time at daily press conferences. We committed to always be telling the truth and being the first to inform. That was the only way to prevent the spread of misinformation aimed at causing fear and panic among the population.

Only by adhering to all measures and recommendations can we keep the epidemic under control. This may, however, only be achieved provided that all citizens abide by the measures and that the institutions carry out the inspections. Otherwise, we risk another rise in the number of patients and having to re-introduce restrictive measures. This is bad for the economy, for the jobs and naturally for the health.

The Coronavirus will not disappear and will be present until we develop collective immunity through the vaccine that is not expected any time earlier than 2021. This means that we all have to get accustomed to adhering to the personal protection measures and living with the virus. We must perform all our daily responsibilities taking care of our own as well as the health of others. Without any exceptions, all branches of the economy and all companies and organizations, citizens, groups and individuals are part of this fight.

We learned a lot after the first wave of the virus. Healthcare professionals and epidemiologists are now better prepared and know much better how to act and organize for the next coronavirus challenge. We continuously learn and follow the world practices, findings and research and introduce them in our work.

All the scientific studies so far, as well as the experiences with other epidemics in the past indicate that the virus is very likely to bring about even bigger challenges this autumn. We are preparing for this in accordance with the WHO recommendations and the European and global experiences.

The Government of the Republic of North Macedonia has already initiated a sizeable investment in the health system and has begun strengthening the intensive care units throughout the country. With the EUR 33 million funding from the World Bank, we will equip all intensive care units with modern equipment, beds, ventilators, X-ray machines and all other necessary devices to be able to provide world class health care.

COVID-19 is Not Just a Healthcare Challenge

The timely restrictive measures saved the country from the horrible images seen in hospitals in China, Italy, Spain... Once we left behind the first peak, we started to gradually loosen the restrictive measures. Most of the domestic production was reactivated, and almost all shops, malls, hospitality and sports facilities were reopened, however according to carefully defined safety protocols. That is the essence of the "new normal": to continue with our regular work and social activities, but with increased measures of personal protection.

The Government will continue to protect the public health, which is of utmost importance, but the economy as well. All the restrictions necessary for the protection of the lives and health of citizens had great financial and social consequences. All serious analyses predict a strong impact to the global economy, trade and markets, as well as rise of unemployment and poverty. The three sets of Government measures were guided by our priorities as follows:

- Protection of the most vulnerable through strong and rapid social measures provided for numerous citizens and families;
- Helping businesses in the most difficult period with available financial resources through direct support, guarantees and soft loans;
- Mitigation of the strongest impact of the crisis on both companies and households by reprogramming and postponing the repayment of loans;
- Strengthening private consumption by measures aimed at more vulnerable families, the unemployed, youth and students.

In the course of the new term, we will expand the scope of support for private consumption to another two categories of citizens: unemployed people who have not registered with the Employment Agency on a monthly basis, pensioners with a monthly income below MKD 15,000, former employees in bankrupt companies, and single parents.

Preparations for the autumn wave will not pertain to the healthcare sector only. Since the very beginning of the crisis, we quickly adapted the most important services to citizens and businesses to the new times. The numerous digital services that we put into use in just 2 weeks resulted in not only reduction of the level of possible spread of the infection, but also in faster and transparent services for our citizens and economy. In the preparations for the expected peak this fall, the Government will continue with this practice. We also developed clear protocols for the educational process in case of repeated risk, increased safety in public traffic, as well as for the replacement of state quarantines with appropriate PCR tests and self-isolation measures.

We Invest in Public Healthcare

The crisis has shown how important public health is. The Government of the Republic of North Macedonia is determined to direct the further development of the health system in accordance with the response to the national and international requirements, especially in the field of public health and control of both contagious and mass noncommunicable diseases, by ensuring the financial sustainability of the system, and increasing the quality and availability of health services as well as solidarity and fairness of the health system, with citizens being at the center of the system and fully engaged. We will continue to invest in the health system, both in terms of infrastructure and human resources, equipment and more advanced methods and therapies. By the end of 2020, we will define the ten-year Strategy for Allocation and Investments in Healthcare and ask for broad parliamentary support for it, as the health system needs stable and higher investments.

The Government will enforce the following policies:

- We will increase the salaries of healthcare workers and associates by up to 10% every year. Our goal is for the lowest salary of health technicians and nurses to reach the average one in the country by 2024.
- As from 2021, we will triple the number of specializations in precisely defined areas. We will announce and fund additional specializations in cooperation with the healthcare professionals, taking into account the lack of specialists in several medical branches;
- We will provide an opportunity for every young graduate physician with a license to be employed. We will provide paid work for each new young doctor, along with monetary compensation as an incentive;
- All doctors of specialization residing outside Skopje who have not resolved their housing issue will receive a monthly subsidy of MKD 12,000;
- We will sign a Strategic Agreement with the University Hospital of Frankfurt for education

- of young doctors and nurses on a rotating basis;
- We will open the capacities of the public healthcare institutions (operating rooms) for use by specialists in accordance with precisely determined criteria, which would generate additional revenues for the Public Health Institutions;
 - We will develop a model for systemic changes in the way primary healthcare is paid for, which will assess the scope and quality of services provided by general practitioners. To that end, we will introduce for the first time standards of prevention of and monitoring certain conditions and diseases, adapted to the primary level of healthcare. Also, the changes in the method of payment will encourage investment in education, technical and material resources. Active involvement of nurses in the provision of healthcare will be encouraged;
 - We will introduce a system of continuous education for nurses in order to increase their competencies and knowledge in the relevant field in which they work.
 - Less bureaucracy, faster health care. As a result of the implementation of a fully computerized health system, patients will no longer have to walk from their family doctor to a specialist and then again from their family doctor to the pharmacy on account of administrative reasons. The Government will introduce full e-health, dealing away with the use of paper documents.
 - We will introduce the "My Health" application by the end of 2020. It will provide electronically linked data and the history of diagnoses and therapies for every citizen. In this way, citizens will have better insight into and care for their own health.
 - We will strengthen the capacities of the public health (regionalization) by functionally connecting all levels of health care (primary, secondary and tertiary).
 - We will fully involve the patient associations in creating and monitoring health policies and the quality of health services. This will enhance the role of patients in the consultations with the professional community aimed at adopting regulations and legal provisions pertaining to the healthcare.
 - By the end of this term, we will make all hospitals and health centers energy efficient and renovate all vaccination points and the oldest wards in hospitals.
 - In 2020, we will provide 70 new vehicles for emergency medical care and regularly renew the vehicle fleet each year until the end of the term.
 - We will establish three new points for emergency medical care in the city of Skopje. The emergency response time will be up to 10 minutes in urban areas and up to 20 minutes in rural ones.
 - We will start the construction of a new, modern and functional University Clinical Center in Skopje, which will provide high quality health services to the population throughout the country.
 - We will continue with the reconstruction, expansion and equipping (including necessary staff) of the clinical hospitals in Tetovo, Bitola and Shtip and analyze the needs and possibilities of their promotion in University clinics, taking into account the location, capacities and investment value of the new University Clinical Center. We will make these centers much more efficient and accessible to the citizens by introducing the "Telemedicine" project where it is the information that travels instead of the patient; the project will connect the University Clinical Center in Skopje with the three Clinical Hospitals in Bitola, Tetovo and Shtip.
 - We will procure the necessary medical equipment for modernization of health institutions outside Skopje, namely "St. Erasmus" - Ohrid, the General Hospital in Strumitsa and the Emergency Center in Tetovo.
 - We will invest in new and in expansion of the existing facilities of outpatient clinics in which patients will be provided with diagnostic or therapeutic (internal medicine, surgery, pediatric) services in a single day, in instances in which no hospitalization is required.

- We will develop capacities for long-term treatment and care of the chronically ill, especially for the elderly and immobile persons with serious health conditions, for whom home care is not appropriate. We will repurpose the unused hospital facilities into nursing homes.
- We will establish a paramedic service in the emergency medical care.
- We will equip the patronage service in all regions across the country, based on the experience with staff recruitment in the past three years.
- The quality of healthcare also depends on the quality of the staff enforcing the health policy, particularly from health economy and health management perspectives. Therefore, we will form a Health Technology Assessment Council when purchasing new medical equipment or introducing new drugs on the positive list.
- We will take measures and activities to reduce morbidity, disability and premature mortality caused by the most common chronic non-communicable diseases (cardio and cerebrovascular diseases, malignancies and diabetes). As from 2021, we will introduce a new preventive program for skin cancer (melanoma) screening.
- In accordance with the European protocols and clinical guidelines, the availability of mammography screening will be increased through the provision of additional mammograms and mobile mammographs to improve the detection rate of breast cancer at the earliest possible stage.
- We will strengthen the prevention programs to improve oral health;
- Primary care physicians in places where there is a shortage of doctors will be able to work and provide services (on call, emergency, vaccination points and patronage) for which they will be additionally paid. Doctors working in health centers will also be able to register patients as family doctors;
- Stimulating young doctors to work in rural areas, by awarding grants to young doctors who want to open offices 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 gynecology and pediatric hospitals in places and regions lacking family doctors will be able to have insured persons register with them as family doctors in these areas;
- Free treatment in hospitals (exemption from co-payment of certain additional categories of health insured persons) in addition to the previously exempt vulnerable groups;
- New and expanded existing facilities of outpatient clinics within the health institutions in which the patients will be provided with certain diagnostic or therapeutic (internal medicine, surgical, pediatric) services in the course of a single working day, in instances in which hospitalization is not required;
- Development of capacities for long-term treatment and care of patients with certain chronic diseases, especially for the elderly and immobile persons with serious health conditions, for whom home care is not appropriate;
- Establishment of palliative care centers (hospices) - re-adaptation of existing health facilities;
- Revision of the Secondary Dentistry Network (prosthetics, oral surgery and orthodontics), in order to change the high networking criteria included in the current model;
- Revision of the price list of services and introduction of new services in the secondary dental health care in line with the new developments in dentistry.
- Reorganization of the (internist) Emergency Clinical Center in Skopje into a highly specialized and modern institution that will take care of the critically ill, by adaptations of the space, equipment and staff;
- Introduction of new methods in each of the clinics by bringing in foreign experts to

- improve the knowledge of our doctors and reduce 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 based on a thorough and solid epidemiological study on the oral health of the population, which will result in substantial changes in the organization of dental services.
 - We will continue with the policy "Medicine at any Time and for Every Patient", i.e. dealing away with the quotas that jeopardized the health of citizens and created anxiety and fear throughout most of the month. This policy will guarantee the provision of 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.
 - As we have shown in the case of insulin and the abolition of parallel imports, we will continue with the policy of approving only quality certified modern medicines. We will improve the procedures related to inspecting and analyzing 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 citizens can confirm the quality of the medical devices.
 - At the same time, we will create a system for monitoring the consumption of drugs by tracking each drug packet in a cloud system. All this is aimed at rational use of the drugs as well as at controlling and identifying the existing stocks of drugs in the country, in order to prevent shortages of certain drugs and ensure their timely replacement to increase the accessibility by patients.
 - We will achieve this through electronic data management, connectivity and full integration of all systems operating with data related to drugs and health services. Thus, complete traceability of the processes related to drugs and medical devices will be ensured.

Universal care

Social Policy

The Government of the Republic of North Macedonia will continue fighting poverty, which diminishes the chances of a decent life for the next few generations, "condemns" the children and young to inadequate education and healthcare and leaves adults in the lurch during the years when they need help more than ever. We also look at social investments as a way to aid people in coping with life risks. Such investments are the prerequisite for sustainable economic growth and job creation.

In the fight against poverty, we want to achieve a highly specific task – reduction of the poverty rate to below 16%, with a special emphasis on child poverty.

The second half of our roadmap to social reform will require from the Government to demonstrate that the local communities will provide citizens with high-quality social services, created jointly with the citizens and according to their needs. The "Municipality Cares" concept will create new services and, while providing new jobs in the sector by opening social work center offices in each municipality on the country's territory, with each social work center setting up an intervention team that will be active 24/7, following the example of Skopje.

The Government will promote policies based on arguments and empathy that will break down barriers for people with disabilities and their families:

- A Law on Unaided Movement with a Guide Dog and a smartphone application for facilitated functioning of the visually impaired.
- For the purpose of easier exercise of their rights, all persons registered in the national registry of persons with disabilities will have a unique identification card, allowing them to have free access to services. We will thus demonstrate our respect for the rights of people with disabilities. Our goal is to ratify the Marrakech Agreement in order to assist persons with disabilities in exercising their rights. The preparation of a completely new law for employment of persons with disabilities, the implementation of professional rehabilitation paid by the state in 2021, and the preparation of a national register of persons with disabilities are all underway.
- To ensure timely and appropriate care for children with disabilities, we will establish 5 regional committees in charge of functional assessment of these children. To support inclusive education, we will introduce sensory and relaxation rooms in kindergartens and schools.
- We will open a Center for Children/Adolescents with Autism in Skopje.
- We are bringing the age limit for using personal assistance service down to 6 and, in cooperation with the patronage service, each family with a disabled child will receive intensive individual support and education in the first 12 months.
- For the first time ever, we have legally enabled the establishment of a family care center in the country and, in the coming period, every family with a person with disabilities will receive 15 days of replacement care in the center, with the service of living with support for people with disabilities being available throughout the country. We will also provide a family care replacement measure on a daily basis through teams that can do it at intervals of 2 to 4 hours once or twice a week.
- We will strengthen the role of centers for children with disabilities at the primary level of healthcare and of providing physical therapy at home for children and people with disabilities, while analyzing the possibility of integrating these centers with the day centers established by the municipalities at local level.

In addition, family care will remain an important objective of the Government. For this purpose, a state fund will be established for payment of legal support for children in situations in which one of the parents fails to meet their legal obligations after the divorce.

We will make care more efficient through strong digitalization. Citizens will no longer go from window to window to gather all the documents required for taking advantage of the social protection benefits. The Ministry itself will obtain the documents from the competent institutions of other ministries, in order to save the citizens' time and money paid for obtaining such documents. We will prevent abuse in the social protection system by imposing an obligation of mandatory reporting of income earned in a foreign country.

The Government's goal is to eradicate child poverty and make sure 60% of children aged 3 to 6 are in pre-school care and education by the end of 2024. By the end of 2023, we will provide room for at least 7,500 children in kindergartens in Lozovo, Vasilevo, Bogovinje, Studenichani, Delchevo, Bitola, Gevgelija, Kumanovo, Chair, Strumitsa, Debar, Gostivar, Sveti Nikole, Tetovo, Teartse, Negotino, Gjorche Petrov, Novatsi, Brvenitsa, Probishtip, Valandovo, Arachinovo, Karposh, Gostivar, Lipkovo, Kriva Palanka, Resen, Kochani, Kisela Voda, Sopishte, and Saraj. We have already provided an additional EUR 15 million for new, inclusive and energy efficient kindergartens. Based on the ambitious plan for renovation and construction of kindergartens in each municipality, we will analyze the possibilities for the introduction of compulsory preschool education. We will provide free care for all children from low-income families.

Each year, we will organize a special competition for publishing at least 10 new literature titles for children and teenagers. Library membership will be free for every child.

Home for every child: we will increase the family care allowance in foster families by 30%.

We will establish a center for high-risk behavior children who live in small group homes, so as to do work more focused on them and to protect the other children.

The Government will work diligently to improve the quality of life of the elderly and ensure dignified old age. Our goal is to guarantee:

- A stable pension system for current and future retirees;
- A new, higher minimum pension that will amount to at least MKD 10,700 for everyone;
- Creation of a legal opportunity for buying years of service in order to acquire the right to a pension;
- Provision of municipality care for adults by establishing local care and nursing services;
- Provision of a flexible pension system by introducing the possibility for early retirement within up to 5 years before the legal retirement age, with a proportionally reduced amount of the regular pension;
- Strengthening the role of the elderly in local communities and allowing them to be engaged in public life. We will establish volunteering and employment of adults wishing for their days to be fulfilled. We are introducing programs of higher mobility for the elderly with subsidized intercity transportation;
- Development of local services and provision of support for community care for the elderly, while providing appropriate care for the disabled and ill;
- Considering the possibilities for expanding the coverage of state social pension beneficiaries;
- Establishment of 10 centers for active and healthy aging, with programs focused on taking care of the mental and physical health, socialization and peer communication of the elderly;
- Expansion of the spa-climate recreation program.

Education

The Government of the Republic of North Macedonia believes that the biggest investment in the future of our children and youth is that made in the education. Good education makes for free citizens and strengthens the economy and the fabric of democracy. These goals are becoming ever more relevant at a time when we are tackling old and new challenges, a time that brings the world to the fourth industrial revolution and imposes entirely new demands on future generations. The Government will develop quality education accessible to all; education that will create profiles who think logically and critically and draw conclusions based on facts and analysis. We want education

that builds individuals who will respect and nurture civil rights, tolerance and diversity, brought up and educated in the spirit of multiculturalism, and empowered to respond positively to the labor market demand.

The 2018 international PISA test results, as compared to 2015, show a significant improvement in the average achievement of students in all tested areas: science by 29, reading by 41, and mathematics by 23 points, showing that we have had the largest increase in results compared with other countries. Yet, this does not leave us content, since even such higher grades are still very low on the scale of literacy and knowledge. This is a matter of top national interest - to format the education and raise its quality so that we can cope with the challenges of the times to come. Our education must also adapt to the new global circumstances. The COVID-19 pandemic has pointed out the importance of the education system's capacity to change, adapt and modernize itself. The lessons learned during the first attempts at online education over the last months of this school year will constitute a solid basis for the next reform steps.

In creating high-quality education, we will largely invest in the human potential. The key to success is the teacher, as there is no quality education without professional and motivated teachers. Therefore, we will allow for continuous professional development of teachers through free training delivered by accredited providers and guaranteeing that the knowledge acquired can be applied in the classroom. Teachers who continuously study and upgrade will receive higher fees, in accordance with an amended rulebook on salaries and allowances.

- The complete analysis of the PISA test results and the specific recommendations for real and effective education reforms that arise from the test will be finished in 3 months from now. We will organize tests similar to PISA in every school, each semester. These tests will be anonymous and will not affect the grades of students or teachers, but will help the school and pedagogical service design specific measures that will improve the education throughout all schools. At the same time, this will reduce the stress of testing among students. We will invite all municipalities to take part in and support this task.
- The recommendations that are part of the analysis conducted in cooperation with OECD and UNICEF will be incorporated into an Action Plan to be adopted by the Ministry of Education and incorporated in the 2018-2025 Education Development Strategy.
- We will continue to invest in motivated teachers. The Government will invest in career development and teacher promotion. The salaries will also reflect the professional development of the staff. In cooperation with international partners, we will pinpoint the most appropriate model for evaluating the work and quality of teachers. Under the new regulations, teachers will have higher salaries if they have undergone trainings and acquired new competencies. We will further reduce the administrative work of teachers, to enable them to focus entirely on the students and the educational process. In support of better teaching staff, the Government will offer scholarships for excellent students at teacher training colleges.
- Our focus on dual education continues. As a result of the investments in software and equipment, it is already becoming more attractive. We will increase the capacities for such education and discuss the programs with the business community; before the start of enrollments, the business community will be consulted regarding the enrollment quotas for individual profiles.
- The education reform will consist of focusing on logical thinking and analysis-based logical problems solving that will begin as early as in the first cycle of the nine-year primary education. Additionally, we will actively promote full-day classes.
- We will provide the programming companies in the country with the opportunity of developing software compatible with our education system's curriculum. In cooperation with information technology faculties, students in the final years of their studies will be given the chance to create online based solutions, with the following elements summarized in one place: sources of information, practical tasks, and examples of good practice for innovative

use of IT technology.

- We will adopt a National Strategy for Digitalization of the Education System. This will define and legalize remote teaching as a possible alternative learning solution by applying the means of electronic communication with no physical presence of the stakeholders. A Government team will be fully committed to the development of digital forms and content in the education. With the help of domestic programming firms and support from the IT faculties, we will create a central national platform with two-way communication, a database with examples of good practices, curricula, electronic textbooks, electronic teacher portfolios, electronic student files, and similar pedagogical records and documentation that will be user-friendly for teachers, students and parents, but also for educational institutions. This will prepare the next generation for the new age and novel technologies, while increasing our capacity to deal with crises such as the most recent pandemic.
- As part of the budget of the Ministry of Education and Science and the Innovation and Technological Development Fund, we will provide a program supporting the production of video clips as school materials covering subject-related content and topics; all primary and secondary school teachers can apply for this program. In this way, we can stimulate the teachers to approach teaching more creatively, use the experiences of others and make students more interested, even in things that are distant to them. In addition, we will create equal opportunities for learning in developed and underdeveloped regions.
- We will change the textbooks writing and publishing methodology. Certain textbooks will be re-examined due to their outdated content, inadequate language and stereotypes that must be overcome. We will introduce electronic textbooks in all languages of instruction and available to every student.
- We will reconsider the primary and public secondary schools funding formula.
- We will conduct a functional analysis of the secondary school network based on the needs of the labor market and the regional economic development.
- We will establish regional Vocational Education Training (VET) centers. As part of the "EU for Youth" - Sectoral Reform Agreement program, amendments have been introduced to the law on secondary vocational education in terms of the method, and three municipal secondary vocational schools have been selected to continue operating as regional VET centers. The three schools selected are: the Kiro Burnaz Secondary Municipal Vocational School, Kumanovo, the Mosha Pijade Secondary Municipal Vocational School, Tetovo; and the Vancho Pitosheski Municipal Catering and Tourism School, Ohrid.
- Staffing the professional services in the primary and secondary education schools with teams of at least three associates (pedagogue, psychologist and special educator).
- Our objective will be to invest in better equipped schools (teaching materials, laboratories, etc.) and reduce the size of classes (up to 20 children per class).
- The sports academy will be restructured and housed in a new modern sports complex.
- The Government will fund the best pupils and students. We will provide financial support for students and their mentors to enable their participation in international Olympiads and competitions, and we will legally stipulate cash prizes for the first three places won. This has already been initiated through the Innovation and Technological Development Fund (ITDF), where we have created a special program to support the participation of young people in contests and science fairs. We will devise an award for young scientists.
- We will build or reconstruct primary and secondary schools in Aerodrom, Skopje, Studenichani, Butel, Veles, Tetovo, Chucher Sandevo, Chair, Kisela Voda, Kumanovo, Arachinovo and other places. We will equip the regional vocational education and training (VET) centers in Tetovo, Kumanovo and Ohrid. We will build the High School of Mathematics and Informatics and the Mother Teresa University Campus in Skopje. We will build, reconstruct, rehabilitate and ensure energy efficiency of student dormitories. We will plan the construction of gyms in several schools with no such facilities.

- We will improve the native language textbooks for all minority communities.
- We will establish a scientific research department within the Innovation and Technological Development Fund. The budget of this department will be used to fund national scientific research projects that will strengthen the capacities of universities and scientific institutes by putting the existing scientific research equipment into operation. The department will be formed in 2020, with the aim bringing the total funds earmarked for science up to 1.5% by 2024.
- We will contribute to the competitiveness of the national universities and enable their cooperation with prestigious foreign ones on joint participation in international project financing programs, by providing financial and technical support for the project teams in applying for such programs. Furthermore, we will change the national legislation for financial operation of international projects in order to facilitate their implementation.
- We will offer state quotas for postgraduate studies in the country for students who have completed undergraduate studies and have obtained 240 credits within the ECTS. In addition to scholarships for undergraduate students, we will also introduce scholarships for master degree studies in deficient professions, as well as scholarships for talented students that will keep young people studying in the country.
- We will create a system that allows for easier retaining of the best graduates to work in scientific research and higher education areas at universities and research institutes through faster approval procedures for employment (after retirement) and scholarships for their doctoral studies.
- Introduction of higher education competitiveness and evaluation mechanisms in line with the criteria of the Shanghai list, as well as ranking of universities, in order to increase the quality of higher education.
- In the enrollment quotas for minorities in higher education, priority will be given to students who will demonstrate knowledge or a present certificate of knowledge of their native language.

Sports and Recreation

The Government of the Republic of North Macedonia sees sports as an important link that contributes to the development of a progressive and inclusive society, enables social interaction and positively affects the dissemination of basic ethical principles to all categories of citizens, particularly to young people. Sports play a vital role in increasing the levels of social inclusion and building open, tolerant societies; sports help the process of learning the values of teamwork, discipline and leadership, as well as the reward for hard work and achievement.

We aim to create a system under which sports will advance and better sport results can be achieved; a system that will also strengthen the quality of life, social interaction, and enable proper personality development and a healthy lifestyle of as many citizens as possible.

Therefore, our success indicators will include: an increased number of citizens and young people who play sports, an increased number of professional trainers, achievement of top results and affirmation of elite sports, an increased number of women in sports, quality sports infrastructure, an improved status of athletes and sports workers, affirmation of Olympism, and zero partisanship in sports.

The following policies will be implemented In the forthcoming 4 years:

- We keep providing additional money for sports under the voucher system; we will simplify and promote the system in order to provide greater support to sports, athletes and sports entities. In 2020, we managed to allocate an additional EUR 10 million to sports, as well as EUR 6 million from the budget for the system supporting young aspirational athletes. Our objective will be to have this amount of vouchers grow to EUR 15 million by the end of the term.

- We will adopt legal provisions that will regulate the length of service of athletes.
- We are introducing gender equality in sports - 30% representation of women in governing bodies (Assembly, Management and Executive Boards) starting from 2020, and 50% by 2024. Federations receiving funding from the state budget must ensure the functioning of men's and women's sports, i.e. men's and women's sports clubs and/or national teams.
- All existing sports facilities will be heated, made energy efficient and multifunctional, and put into operation for the needs of all athletes and citizens.
- We will create a Sports Fund for elite sports (national teams, individual and team sports).
- All sports facilities owned by the state and municipalities that are under concession or public-private ownership will have to reserve 15% of their utilization schedules for children and youth from socially vulnerable categories.
- Our goal is to increase the number of young people who play sports by 30%. We will invite all physical education and sports teachers from all schools every Saturday for 2 hours of organized outdoor sports: athletics, mountaineering, hiking, soccer, basketball, and sports games.
- We will collaborate with sports equipment companies to help in the promotion and provision of support. During the first semester, practice will be held within the school, with school Olympic games organized in the second semester. The top three schools will receive prizes in the form of sports equipment.
- We will organize central cross-fit competitions accompanied by music and socializing and celebrating the healthy body and spirit throughout the country.
- We will finish the projects for construction and reconstruction (rehabilitation) of sports facilities commenced in 2020: construction of a swimming pool in the municipality of Ohrid; construction of 14 indoor school pools; construction of a martial arts gymnasium in the municipality of Chair; construction of 10 basketball courts; construction of a House of Sports; construction of an indoor swimming pool in Tetovo; reconstruction of the sports gymnasiums in Negotino and Veles, the swimming pool in Struga, and the stadium in Kavadarsti; and reconstruction of the sports infrastructure in the municipalities of Kisela Voda, Bitola, Ilinden, Demir Kapija, Gostivar, Karposh, Kichevo, Lipkovo, Dolneni and Struga and the hockey arena in the Boris Trajkovski Sports Center.
- We will include persons with disabilities in all segments of sports.
- We encourage good governance, support the fight against corruption, the fight against match-fixing and against doping.
- We are commencing with all the processes and activities aimed at formalization of electronic sports, i.e. gaming as an official category of sport.
- We will analyze all concession agreements for sports facilities and gymnasiums and monitor the compliance with the obligations to the community.

Democracy in the Service of Citizens

The Government of the Republic of North Macedonia believes that democracy entails free and informed citizens. Once every four years, the citizens make an electoral, democratic decision; however, they can get accurate and timely information, express their opinion, organize themselves, initiate changes and influence the decisions that are made on their behalf every day. Only then is the democratic electoral system fully in favor of the citizens, protecting and strengthening them.

Freedom of expression is a fundamental human right, an essential prerequisite for a society to be called democratic and to move forward. We believe in the freedom and pluralism of media because we see our country as a mosaic of cultures, languages, customs and opinions - this is at the bottom of its uniqueness and, hence, its strength and greatness. We are convinced that the Government's sole role in regulating the media sector should be focusing on ensuring the freedom

of speech, structural pluralism, the Macedonian language and the languages of communities, and the protection of children from harmful media content.

Freedoms also depend on the strength, knowledge and mobilization of the civil society sector. Only this can guarantee sustainable development and democratic change in the country.

Over the next four years, we will focus on developing the National Radio and Television as a real public broadcaster in tune with the times, one that informs in a timely and accurate manner, protects the public against misinformation, and provides professional and quality reporting.

In parallel with this, the Government will actively work on the strategy for dealing with fake news that undermines security, democracy and confidence in institutions. The government will support the creation of a research media laboratory, to help journalism students be proactively involved in the fight against misinformation and fake news from the very beginning of their studies. Higher levels of protection against the harmful effects of online media will be provided for juvenile audiences, by harmonizing the national legislation with the new EU directive on audiovisual rules concerning video-sharing platforms.

The Government will pursue a policy of continuous and non-discriminatory financial and non-financial support for print media and local/regional television. The Government will propose better regulation of media ownership and concentration, and we will also support effective self-regulation.

The Government will propose the abolition of the so-called “Przhino” government, which has shown numerous weaknesses, blocked part of the state apparatus during the period of a great world crisis and was abused.

The Government is committed to making improvements in the environment in which the civil society operates and develops, to contribute to the strengthening of the democratic governance and establishing a structured dialogue with the civil society that will contribute to and support the country's reforms on the path to integration in the European Union. We will carry out comprehensive reforms of the current system of provision of state funding for the civil society, one that is largely based on legislation and practice created several decades ago, failing to reflect the current needs of the civil society and to follow the positive practices and trends in the EU and in developed countries. Therefore:

- We will increase the share of state funding from the central and local budgets, to arrive at a share of 30% (about MKD 2 billion) of the total revenues of civil society organizations by 2024;
- We will reform the fund planning procedure (mandatory consultation on priorities), the decision-making process (independent committees, regulation of conflict of interest, involvement of experts and representatives of civil society organizations), the allocation of and reporting on state funding to CSOs, the monitoring and evaluation of the results achieved, etc;
- We will introduce mechanisms for unified planning, that is to say, we will provide multi-year planning of funds for civil society organizations;
- We will improve the program support of civil society organizations through an independent Civil Society Support and Development Fund, which will be responsible for planning and managing funds earmarked for the development of civil society organizations, through institutional support, but with administrative, management, financial and program autonomy;
- The Civil Society Support and Development Fund will enable co-financing of European projects of civil society organizations that are in line with the country's strategic priorities, the pre-accession assistance program goals, and the European Union structural funds;
- In order to establish a structural dialogue with the civil society, the latter will be systematically involved in the consultations and will determine the dynamics of the consultative process and the ways in which the participation of civil society influences the policy making process. In addition, we will support the civil society in its creation of a model for participation of civil society organizations in the future EU accession negotiation structure of the country; through a representative and inclusive model, we will enable the participation of civil society organizations in the Sector Working Groups and Sector Monitoring Committees; we will maintain the representative and inclusive model of

participation of civil society organizations in the Council for Cooperation with and Development of the Civil Society Sector; and we will promote structural cooperation with the civil society through the Open Government Partnership Council.

The Government will arrange consultations with the civil society at an early stage of the analysis, with regard to the necessity and preparation of policies and laws. In addition, the Government will commit to and guarantee the provision of feedback to the civil society and stakeholders concerning any policy and legal consultation process. This means that draft laws will be adopted at government sessions containing the report on the received feedback, proposals and comments during the consultation process with the stakeholders, and stating the reasons for rejecting given proposals.

European Culture

The government sees culture as crucial in transforming our society: changing the mindset, habits, needs, and behavior of every citizen. The principles and values we insist on in this program are key European values: care for individual and collective identities; protection of cultural heritage; multiculturalism; care for diversity and vulnerable citizens; intercultural dialogue; decentralization; participation; and cultural democracy.

The Government will promote policies of mutual respect and promotion of the ethnic and cultural diversity as an asset of our society. In this regard, we will enforce a balanced policy of developing the existing and/or new programs and institutions aimed promoting the cultural values of all ethnic communities in the country.

On the occasion of the twentieth anniversary of signing the Ohrid Framework Agreement and in line with the internal cohesion goals, August 13 will be declared the Ohrid Framework Agreement Day and will be celebrated under the auspices of the Ministry of Political System and Inter-Community Relations.

The goals of the Government will be to: develop culture in all of its segments; strengthen the institutions from a personnel, infrastructure, technical and program perspective; improve the working conditions in the non-institutional sector; establish practices of cooperation and synergy between the institutions; improve the social status of employees; valorize the creative work of all those engaged in the culture; and to attract larger audiences and enable as many citizens as possible to take part in cultural activities. At the same time, in line with the European trends, we envisage measures that will utilize the potential of culture to contribute to the economic development, especially at the local level. We will intensify the importance of creative and critical skills in the educational process, as well as in the development of new and innovative businesses.

The cultural heritage will play a key role in our policies. It enhances the sense of belonging and of sharing common values and traditions. We advocate the European idea that the cultural heritage is a common resource, which raises the awareness of our common history and unites us as citizens, while also identifying us in the European family of states and actively contributing to the overall European identity.

- A system of mandatory financing of the monuments included in the List of Monuments of National Interest will be introduced, based to the principle of category by value and degree of endangerment. The list will be an open one and will allow for new monuments from the immovable, movable and intangible heritage to be inscribed in it constantly.
- We will increase the size of professional staff in the conservation centres.
- We will audit and delete from the registry any and all unlawfully registered monuments and buildings from the so-called Skopje 2014 Project, which, by their nature, cannot constitute cultural heritage.
- We will support the development of cultural and creative industries related to products of traditional culture by involving amateur folklore organizations that nurture traditional creativity.

- We will publish an international open call for revitalization of the downtown area of the capital after the damage caused by "Skopje 2014". As an antipode, the open call will be part of the City of Skopje's application for the largest cultural program in the European Union - European Capital of Culture.

The development of cultural needs, participation in artistic and cultural activities, and experiencing culture all lead to improvements in the quality of life and well-being of each individual. Therefore, we will: support the opening of a mobile cinema; organize the Museum 24/2 event twice a year, with the entrance to all museums being free on weekends (6 pm - 12 pm on Fridays, 12 am - 12 pm on Saturdays, and 10 am - 4 pm on Sundays); the libraries will rearrange their premises to make them more comfortable for visitors and will arrange activities such as promotions, debate clubs, and reading workshops; increase the financial grants for programs and projects contributing to the enhancement of local communities through the provision of support for local festivals, important happenings, anniversaries - all for the purpose of preserving and promoting the intangible heritage of rural and underdeveloped areas.

We will support the literary work of young authors through the Ministry of Culture, by establishing special incentive measures. We will introduce a special contest for publishing at least 10 new titles for children and teenagers. We will support the translation of and the already translated literature, with special emphasis on the quality of translation and appropriate financial evaluation of the work of literary translators translating from the source language. The Ministry of Culture will strengthen the system for protection of the Macedonian language and its support of literary works.

Making use of the European practices and experiences, we will create conditions for more diverse funding in the culture. We will encourage donation, sponsorship, patronage and other forms of financing through the tax incentive system. The Government will encourage public-private-civil partnerships and propose a legal framework for awarding culture grants in all municipalities, regardless of whether they do or do not have local institutions. Funds for such grants would be provided in accordance with the legally established criteria, such as: the number of inhabitants, the number of institutions, whether it's a rural or urban municipality, etc. Stable mechanisms will be provided for co-financing participants in EU programs and projects and other international and regional cooperation at national and local level.

We will continue to invest in the cultural infrastructure, establishing Youth Cultural Centers in several cities as specialized institutions that will develop the cultural needs of young people, in order to improve the quality of their lives and keep them from leaving the country. Depending on the needs, these will be multimedia centers with multi-purpose areas: a cinema hall, theater stage, concert stage, showroom, bowling alley, buffet or business-caffe, etc.

The Government will proceed with the second phase of institutional decentralization, which is to provide the best services to citizens, in accordance with the European Charter of Local Self-Government. To overcome the weaknesses of the first phase of the decentralization process, we will increase the block transfers to cover all of the actual needs of the local institutions, the funds for ongoing and material maintenance of institutions, and the new investments; to bring about improvements of the state and functionality of the facilities of local culture institutions, we will regularly approve requests of the Ministry of Finance for filling vacant positions, as well as for new recruitments in the local institutions. We live in an unevenly developed country. In the field of culture, we will work towards a balanced cultural development, primarily through the policies and instruments of decentralization and demetropolization of culture.

The cultural economy can be a great source of income and can reduce or prevent the outflow of people from local communities to the capital and abroad. It is also a major driving force of sustainable development. Our cultural diversity holds great potential for the development of this type of economy. We will undertake a series of measures to revitalize this priority of contemporary European policies:

- We will increase the number of creative centers and incubators, where new and start-up companies, civil associations and independent artists and freelancers will all have the opportunity to work and create together.
- We will provide full support so that the IPA mechanism for the development of creative and cultural industries is utilized to the maximum. We will provide training and create facilities of co-financing projects in this program, as we have done for other EU programs, such as the Creative Europe one.

The Republic of North Macedonia's Government will respect the Collective Agreement for employees in the culture. Among other things, the agreement regulates the reimbursement of transportation costs to and from the workplace in specific conditions, as well as field work and living away from home allowances, reimbursement of expenses for using one's own vehicle for the needs of the employer, reimbursement of expenses during relocation, retirement severance pay, and jubilee awards. In cooperation with the unions, we will open a debate on all other rights of employees in the culture, such as reduced years of service to retirement, additional work outside the Annual Work Program of the institution, liberalization of the conditions and procedures for independent artists and rules for using other types of benefits (such as cash benefits, provision of free working space or space for publishing works, donation or free rental of equipment and instruments, and funds for insuring works and instruments).

Gender Equality

The Government of the Republic of North Macedonia strongly believes that there can be no true equality without gender equality. This is the only way to build a prosperous society. Countries where gender equality is a high priority are more successful economically. The Government's objective will be to achieve gender equality in the country, suppress gender stereotypes and eliminate gender-based violence. To this end, we will pursue an active policy of increasing the representation of women in all executive positions in and appointed by the Government.

The Government, along with the local self-government units, will continue to invest in opening services for protection of victims of all forms of gender-based violence in each municipality on the territory of the country. Ten new services will be established annually, evenly in all planning regions.

We will fully harmonize the legislation on meeting the standards in accordance with the Istanbul Convention.

The Government will propose a new Law on Workplace Harassment (mobbing) that will provide real and effective protection of workers against mobbing and will propose the ratification of the Violence and Harassment Convention and the recommendations for violence and harassment of the International Labor Organization adopted in 2019.

We will fight the gender pay gap by creating employment policies and measures that will reduce women's inactivity in the labor market, as well as by policies that regulate parental leave, workplace protection, flexible working hours and part-time work, and jobs adapted for mothers, increasing the availability of kindergartens particularly in rural areas and increasing the number of nursing homes in all planning regions.

A program for reintegration of women who have been victims of violence will be adopted, which will include models of temporary housing, psychological counseling with mentoring, various types of financial assistance specifically intended for women who have been victims of violence, education and training opportunities in various fields, as well as employment measures set forth in the existing legislation.

We will call on all NGOs and activists to report any existing forms of discrimination and stereotyping in the primary and secondary education.

The Government will commit to increasing the access to quality family planning services and the choice of modern contraceptive methods and means (included in the applicable list of drugs),

lowering the age limit for reproductive health screenings, establishing mobile gynecological clinics in rural areas and smaller municipalities with no gynecologists, and introducing a mandatory free health package (MHP) for women over 35, which includes gynecological examination and mammography.

We will propose provisions in the Law on Labor Relations, which will define and regulate maternity and paternity leave and will provide for joint flexible parental leave for both parents, and working from home if one of the parents terminates the leave and returns to work on his own initiative earlier and if the work duties allow it. We will allow for relieving single parents from working night shifts.

Order and Justice

The Republic of North Macedonia's Government is committed to building a capable state with stronger institutions that will ensure the order and rule of law. Having liberated the institutions from partisanship in these two and a half years and having instituted different laws and a responsible system, we are now focusing on the following policies:

We will introduce the new "Safe City" concept of traffic safety, especially in urban centers. This includes clear and rigorous regulation of speed limits in populated areas, installation of camera surveillance systems to monitor the compliance with the rules and speed limits, full automation of the sanction process and linking the fines to the particular license plate. Safe City will be initially introduced at major intersections and boulevards and will gradually expand to all urban centers. We will install mobile radars and cameras on the roads, as the large number of victims of traffic accidents is very often the result of unadjusted speed and non-compliance with the restrictions.

We will also modernize the border crossings by installing digital license plate readers. The border line surveillance system will be enhanced by increasing the number of mobile cameras, thus streamlining the human resources and achieving greater efficiency and control of the borders.

The Government will propose laws setting deadlines for collection of fines that will not depend on the "human factor". All data, recordings, and photographs will be protected, but can also be used to determine the potential responsibility of those covering for non-payment of fines. Traffic fines will be scaled and linked to the income and property of the perpetrator.

We will finalize the Neighborhood Policeman concept by filling all uniformed police officers vacancies and using the experience from the pilot projects in several municipalities. The greater presence of uniformed police officers in our neighborhoods will discourage criminals and calm the citizens. At the same time, it will allow for closer cooperation between the citizens and the police.

The order in the country does not only depend on the police and the judiciary. It is also reflected in the observance of rules at every corner: in the shop and pharmacy, in the waste collection and business, in the noise and cleanliness... The key institutions in this domain are the inspections. Citizens and businesses still have little trust in the efficiency and impartiality of the state and local inspections. This is why we will reform the inspection system and rules. One Deputy Prime Minister will coordinate all inspections. In one year, we will virtually halve the number of inspectorates and will double the number of environmental and market inspectors. The rules must apply to everyone, especially to those who are paid to enforce and control them; therefore, all inspectors who have concealed or have failed to act in a particular case will be held accountable. The government will introduce the "e-inspector" platform and will implement it in all inspection services, in order to eliminate any discretion and subjectivity in performing inspections. In addition, it will oblige all inspectorates to publish monthly reports with accurate data of when, where and with what result the inspections were conducted. Once a month, they will hold a meeting with the Association of Local Self-government Units and interested NGOs about the results and the problems they face.

The Government will introduce communal policing within the competencies of the local authorities, which will have legal powers to secure the order in the municipalities and in the city of Skopje. The communal police will be a simpler and cheaper method of securing order outside the homes, while allowing the police to deal with more complex security and crime issues. Pensioners (especially from the police and the army) will be able to get hired by the communal police and will continue to receive their pension, while also receiving an engagement fee (with the respective contributions calculated and paid).

Order in the country is not established only by changing the laws, but the "gray areas" in them and especially their mutual inconsistency very often leave room for different interpretations and standards. This, in turn, adds to corruption and mistrust in the system. Therefore, a special Delivery Unit (a team tasked with the delivery of tangible results) will start functioning directly under the Prime Minister, in order to review the legislation and provide clear and unambiguous legal solutions. The team will include experts from both the theory and practice, and we will also call on

NGOs, associations, chambers and trade unions to continuously make suggestions on issues that need to be defined better.

Functional Rule-of-Law State

Democracy is based on the rule of law and judicial independence, while law enforcement must serve the needs for justice and fairness. We all need a justice system that will protect our rights and freedoms, and our common value system.

The Government of the Republic of North Macedonia is strongly committed to deep and substantial judicial reforms. Only in this way will we enable the rule of law rather than the rule of strongmen and a consistent fight against crime in the country. We will consistently implement the Judicial Reform Strategy, which will present our investment in efficient and successful negotiations with the European Union.

The Government has reached a full consensus on the fact that effective and objective “cleansing” of the judiciary is required. The first vetting step has already been taken by entrusting the SCPC with the responsibility to verify the property status of both judges and public prosecutors. The Judicial Council, for its part, in accordance with the new legislation, has announced a detailed review of the work of judges, especially in relation to certain proceedings regarding cases that were brought to a statute of limitation by continuations, infrequent hearings and the like. This verification may include judges’ personal and professional background, expertise and resilience to interest groups.

Such checks by existing institutions based on already incorporated legal grounds promise that the results can be fast and efficient and ensure the functioning of the rule of law and resolution of systemic issues that have long lingered in the domestic judiciary.

The Government will be committed to ensuring EU monitoring of high-profile corruption court cases as soon as possible. We were the first country in the region to ask the EU to immediately launch an initiative for high-profile corruption case monitoring. The European Commission has supported this and announced a quick start of this instrument. We believe that this step will increase the responsibility of prosecutors and judges, strengthen the fight against corruption, and also increase the trust and confidence of citizens in their country and its institutions.

The Government will also propose a legal obligation to publish and allow public access to audio recordings of all high-profile corruption and organized crime trials. The general public is our strongest ally in the fight against crime and corruption. Therefore, we will create a legal obligation to publish the audio recordings of all trials that arouse a wider public interest as an additional barrier to voluntarism, partiality and irregularities in the conduct of court proceedings.

The Government, as in its previous term, will support the establishment of inquiry commissions or initiation of international support and monitoring for certain cases that created inter-ethnic mistrust and tensions such as Alfa, Monstrum, Divo Naselje, etc.

We will also propose legal obligations under which the Public Prosecutor’s Office shall regularly and continuously inform the public on its work and progress in terms of cases followed by the citizens. Only by transparent work will we deal with crime and corruption, as well as with the distrust that citizens have towards the rule-of-law state.

Citizens in the Republic of North Macedonia oftentimes waive judicial protection of their rights due to high court fees. We will reduce court fees, because high court fees make justice inaccessible to citizens. In court proceedings where the state is sued for violation of citizens’ rights, court fees shall be paid only after the end of the process, if the court finds that there has been no violation thereof.

The ACMIS system must be centralized, while the courts must be connected both vertically and horizontally. Their mutual communication must be electronic and unfettered and the Supreme Court’s IT Center must be strongly staffed and technically strengthened to ensure data security. Thus, electronic communication with public prosecutor’s offices, mandatory electronic communication with lawyers, enforcement agents, notaries public, mediators, the Agency for Real Estate Cadaster, the Central Registry, the State Attorney’s Office, and other entities will be introduced.

Citizens are losing their faith in the system when they constantly hear about criminal charges and investigations into certain criminal acts, and then see no action or result. They have a feeling that the truth is most easily lost in the public prosecutors' labyrinth. On the other hand, the Public Prosecution is facing very weak and outdated information technology and data processing in its public prosecutor's offices. There are currently computers and an operation program in place at public prosecutor's offices (Case Management System), however, legal grounds must be specified in order to establish mandatory operation under this system, identify responsibility and eliminate the possibility of abuse. Thus, with a kind of ACMIS system in public prosecutor's offices, it will be clear where each criminal charge ends, what was undertaken, who was responsible in specific cases, etc.

The Government will propose a new model that will prevent abuses of the jury system by changing the method of juror election and the provisions on conflicts of interest, and by strengthening the responsibility of jurors and special voting procedures in decision-making. In addition, we will incorporate the recommendations from the OSCE Monitoring Report on Certain Cases into our legislation.

In the first 3 months, the Government will revise the system for execution of alternative measures established by the Criminal Code, which proved to be non-functional in practice. This will ensure effective supervision of persons on parole or who have been sentenced to probation with protective supervision, successful execution of house arrest and the measure of house arrest (electronic monitoring of persons who have been imposed such measures), as well as prevention of their escape from the country.

Stop for Abuses

Corruption and political abuses are the greatest enemies of both citizens and institutions. They damage the budget, undermine the rule-of-law state, weaken its institutions and threaten democracy, creating mistrust among citizens. Justice, equality and freedom are the first victims of political abuse and corruption. The Government of the Republic of North Macedonia will run its battle through broad and binding transparency, protection of media freedom, institutional support for a strong and independent SCPC and zero tolerance for detected abuses. It is our goal to build a system that deters from abuse and clearly locates responsibility. We will strengthen both citizens and institutions, while reducing the discretionary rights and power of politicians and holders of public authority.

Citizens are particularly sensitive to the abuses of incumbents, and rightly so. No one shall be above the law, while incumbents must prove this by their own example. We will propose amendments to the Criminal Code that will tighten the penal policy for acts typically related to incumbents.

In addition, we will reduce the privileges of public officials, in order to prevent abuse of office for personal purposes, reduce budget costs and increase efficiency in performing their function.

The Government will propose a legal obligation for public disclosure of all official expenses of all officials in the legislative, executive, local and judicial branches. What the citizens' money is spent on - no one has the right to hide.

In addition to the cleansing of judiciary, the Government will propose to create an efficient system for checking the origin of money and capital of each former and current official, through a system that will take into account the best EU practices.

We will support the introduction of a system of electronic monitoring of cases arising from corruption filings, while through decisions of the Government and the Assembly we will ensure that the decisions of officials at their own discretion are only within the necessary and unfettered operation of the bodies headed by such officials.

In the first year of its new mandate, the Government will already adopt a new Open Data Strategy, which will set clear and higher transparency targets for all institutions and their first people. Their fulfillment shall be a prerequisite for every head (minister or director) to keep their position.

Open data also means a simple way to access such data. The public sector has both tasks: to open the data to the public, and also to make it simple and uniform for access. By 2024, we will ensure a single standard for displaying and accessing information on the websites of public sector institutions, including a standard way of searching and making such information accessible to people with disabilities. In the first six months, we will modernize the websites of the ministries and Government and increase the quantity and quality of data. This approach will mean further development of the so-called active transparency.

All LGUs receiving funds from the budget shall accept the rules of openness and accountability if they want to use citizens' money through the central budget.

The Government will propose amendments to the Electoral Code which will introduce the principle of open lists in the next local elections already. Direct election will mean greater linkage of elected representatives with their fellow citizens rather than a strong connection and dependence only on political parties.

Therefore, we will introduce a strengthened review by the PRO of the revenues and expenditures of notaries public/enforcement agents, which will be the basis for detailed controls, amendments to their tariffs and in-depth control of illegal connections in this, for the citizens, extremely sensitive activity.

Modern and Efficient Administration: More System, Less Bureaucracy

All citizens and all businesses deserve fast and efficient satisfaction of their needs and requirements, without unnecessary procedures, documents and providers. At the same time, the public administration deserves good organization, professional, motivated and properly paid officials. Therefore, the goal of the Government will be to create an efficient professional public administration, based on intensive digitalization, optimal structure and innovative processes and techniques. This is how we will achieve: faster service, better quality and equal access for all citizens and businesses.

The COVID-19 virus pandemic has shown that digital services and the digitization of public administration are not only possible but also useful, especially in times of crisis, when all services can be delivered even at half capacity.

Digitization and innovation are the main reforms of modern, European public administration, helping both the citizens and business community get the most out of digital technologies. Effective e-Government provides a wide range of benefits, including greater efficiency and budget savings, increased transparency and greater citizen and business community participation in policy-making. In this context, the Government considers that public administration must provide digital services as a mandatory option; it shall not request from citizens and the business community any information or data that is already provided and must design public services that are by definition inclusive and meet the needs of vulnerable groups, such as adults and people with disabilities.

Digitization is not enough. It is not even possible if we do not change the approach and understanding of the administration about their importance, role and responsibility in the country.

Public administration can and must be professional, innovative, sustainable, transparent and mutually cooperative and complementary to implement successful reforms and meet the growing expectations for better public services to citizens and the business community. Administration should be strong, however, not to hinder but rather accelerate the democratic, economic and development processes. There are excellent professionals in our administration, but there are also many who believe they have no obligations or responsibilities to citizens and the state. The structure of institutions and their set-up is far from optimal and creates endless labyrinths, which instead of protecting citizens' rights and helping the economy, become their inhibitors.

In accordance with the Ohrid Framework Agreement, the Government of the Republic of North Macedonia will ensure efficient and quality implementation of the process of promoting equitable and adequate representation in public administration. The same also applies to bodies that are not regulated by the Law on Public and State Administration, at all central government levels and in public offices or companies with public authority. In the first six months, all employees hired under the Framework Agreement will be deployed and start work in state institutions, while the institutions will approve the employees' requests for recognition of their education in accordance with the latest amendments to the Law on Public Administration and Public Sector Employees. Ethnicity shall not be abused in employment.

The focus of the Government will be to change the above-mentioned situations by changes in the administration structure, quality and size. We will consider a number of models to reduce the administration size by 20%, by merging institutions' functions and responsibilities, retirement at the age of 64 (with the exceptions mentioned), packages for transfer to the private sector or early retirement, etc. We will focus on the recruitment of quality staff and their retention in the civil service, their career development and training, reward and salaries, i.e. motivation.

Reforms require real leaders. We will establish modern criteria for the nomination, election or appointment of senior officials in order to establish equal requirements for elected and appointed persons. We believe that the professionalization and elimination of partisanship of the public administration must start from the top and that is why we are creating a senior management service.

The Government will start with bold changes in the administration that will mean:

- Complete public administration reorganization, which will start in 2020 already. We will eliminate any overlap of competencies between institutions and we will introduce a clear hierarchical subordination according to the role of the institution (policy-maker, policy-implementer, inspection-implementer). We will have a clear plan to merge existing institutions, abolish existing institutions or establish new institutions.
- The goal is to optimize and reduce the expected number of institutions, reduce operating costs, improve management and ultimately increase efficiency in the operation and service delivery to citizens and the business community.
- Clear and meaningful definition of competencies at all administration levels. This will significantly reduce the unsustainable administration centralization, which slows down all processes and also creates an atmosphere of irresponsibility and habits of "waiting for everything to come from above". If all decisions are made by a single person, that institution is neither functional nor sustainable. It will be clearly defined what falls within the competencies of a minister, state secretary, heads of sectors and units. This will build a culture of contribution and responsibility in each employee.
- A new concept in middle management: no more managers until retirement! The aim is to establish a new system for middle managers, based on thorough analyses and best EU practices, which will ensure greater mobility and stronger motivation to achieve better results.
- Higher wages - reward for results. All employees in the institution will be able to receive 5% salary increases if they achieve the goals that the Government will set as their task at the beginning of the year. This will stimulate the administration to give their best, and on the other hand, both the public and the business will not have the impression that they are giving more money to maintain an expensive and slow apparatus. This principle will start implementing payments as of 2022 (regarding the goals and objectives defined for 2021).

- Individual responsibility, but team evaluation. The current system of 360° evaluation of employees in the administrative service does not achieve the effect of improving their performance or responsibility. Citizens and businesses are not interested in how much the institutions have formally implemented their strategic and action plans, but rather, what services they offer. It does not matter to them how good or successful the manager is, but how his/her team works. So, we will introduce a system that evaluates institutions rather than formal filling of tables and implementation of strategic plans, and evaluation of teams or departments rather than implementation of action plans.
- The same salary for the same job. We believe that all public sector employees deserve equal pay for equal work and equal effort and responsibility for their work. Apart from the system of administrative employee salaries, there is virtually no other system of salaries in the public sector that is so comprehensive, and the current salary differences for the same job in different institutions seem demotivating to employees, but also create pressure for employment in institutions whose employees are highly paid.
The goal is to stop this in the first year of the new mandate already, by adopting a completely new legislation on the salaries of all public sector employees. In order to mitigate the possible fiscal and social effects, the introduction of the new system can take place in stages, within a period of at least two years.
- Following the example of Estonia, the Prime Minister will form small groups (the academia, the business sector, the administration) called System Innovation Units to offer new, innovative solutions to systemic problems in the country that have been going on for years.
- The pandemic caused by the COVID-19 virus has shown that electronic communication between institutions is possible and very effective. Therefore, in two years, the entire communication between institutions and within each institution will be conducted electronically. All administrative and legal reservations regarding this will be addressed. All administration employees will receive clear and binding instructions in this regard.
- Single Service Center (SSC) in each city following the example of Skopje SSC. Now, our focus will be on the ten most requested services by citizens, some of which will be finalized by a fully electronic product (e.g. certificates from civil registries).
- By the agreement signed with the world-renowned MasterCard (the first of its kind), we have become a real global leader in the development and implementation of innovative digital authentication certificates. The agreement will mean quick procedures and little time spent for the citizens to obtain documents from institutions, and also quick signing and approval of requests in communication with private companies and banks. All this with the help of only one mobile phone. MasterCard has chosen our country to further develop the technology that will make plastic unnecessary. What used to require cards and documents (which could be misused and lost) will now be done over a mobile phone.
- With the introduction of a BPMS Electronic System for Automation of Administrative Procedures, each job task will be assigned to employees clearly and precisely with the possibility to monitor its execution in real time, which will increase the effectiveness and accountability for the work, while promotion and reward will be based on realistic indicators and contribution. The Government is planning to introduce a BPMS system in at least 30% of the state administration bodies by the end of 2021 and in all state administration bodies by the end of 2024.
- In the first year of our new mandate, we will establish a central institution that will be responsible for coordinating and implementing the process of digitization in society, and also full IT support for state administration institutions. By the establishment of such agency, we are creating an opportunity for continuous advancement and upgrading of the knowledge of IT professionals and their adequate reward.
- By the end of 2020, we will draft a Feasibility Study for the construction of a national transport optical network, in order to identify administrative barriers and define proposals for adequate changes to legal regulations.
- By the end of 2023, we will provide full coverage of at least one city with a 5G signal, and by the end of our mandate, coverage of 70% of the main corridors and road network in the country. In doing so, we

will envisage control and regulation that will guarantee the safety of citizens, critical infrastructure and country's security.

Government Closest to Citizens

In its new mandate, the Government of the Republic of North Macedonia will continue the decentralization process. In it, we see additional democratization of society, more efficient and cost-effective provision and delivery of services, but also enhanced local development. The point is to devolve competencies to the level of governance (government) closest to citizens, which can perform them most effectively, accompanied by adequate financial resources and ensured involvement of citizens in decision-making.

We are continuing with policies for municipal development, i.e. fiscal decentralization and balanced regional development, in order to strengthen municipalities' financial sources and also increase accountability and transparency in municipalities' work. Possibilities will be discussed in terms of increasing the share of VAT and personal income tax allocated to local governments, including a multi-year dynamics established with mechanisms to encourage municipalities' efficiency in increasing their collection of municipal public fees. In this regard, the revision of the methodology for allocation of tax funds and grants per municipality will be discussed.

We will introduce new, more effective instruments to support municipalities in order for them to improve their performance. We will do this by additional two grants: Equalization Grant and Performance Grant. This introduces a system of municipal incentives and competitiveness that brings about quality and timely services.

The Government of the Republic of North Macedonia will implement the Balanced Regional Development Strategy. In addition, the revision of the methodology for allocation of tax and grant funds per municipality will be discussed. Balanced regional development criteria will be applied in enterprise subsidy programs in order to encourage the development of the underdeveloped regions.

Each Local Government Unit using state budget funds shall accept clear rules for transparency in its operations and make available to the public all of its financial expenses through the Open Finance system.

The Government will support a model for Better and Stronger Inspection Services of the LGUs in order to adequately address the challenges in the area of communal works, construction, environmental protection and citizens' health and traffic control. We will increase their powers and enable them to get organized in joint actions at the regional and state level. No formal, bureaucratic arguments will be a reason for inaction and lack of citizen protection.

The Government will propose legal possibilities by which citizens and associations will have the opportunity to propose items on the agenda and participate in the work of the Municipal Council. Citizens, associations and local communities shall be required to participate in the adoption of development programs and the municipal budget. We will also extend the obligation for consultations with citizens regarding municipal programs.

We will support the utility reform process by grants and cheap loans to modernize the machinery and equipment of local public utilities. At the same time, public utility companies shall have the obligation to build their human and institutional capacities, which together with infrastructure and equipment are a basic prerequisite for better and higher quality service provision to citizens.

The Government will pursue a policy of grouping all capital investments for LGUs in one place. Funds arising from ministries and agencies' programs and are intended for municipal and regional projects will be united, whereby the coordination system for fund allocation in accordance with established criteria shall be implemented by the Balanced Regional Development Council. For the purpose of greater certainty in the planning and implementation of these capital investments, we will establish three-year budgeting.

The Government will ensure resources (both organizational and financial) to help especially smaller municipalities lacking sufficient capacity to suddenly cope with the implementation of large

projects. Thus, it will stimulate local and regional development, especially through the maximum utilization of the European Union's pre-accession and new structural and cohesion funds.

Equal Society for All

We believe in the values of tolerance, fairness, equal opportunities, recognition of diversity, multiculturalism and intercultural communication. We believe in social justice, equal opportunities for women and men, involvement and participation of citizens in decision-making and achieving social cohesion.

The European Union is based on different peoples, different cultures and languages, but it also speaks and works on the principle of TOGETHERNESS THROUGH DIFFERENCES. We are a real example that this policy and these values can work in the Balkans, as well. This was possible because we did not accept values as part of the European acquis or as their condition, but as our belief and commitment that our mosaic of cultures, languages and customs makes us richer and better.

Regarding the implementation of the Law on the Use of Languages, the Government will finalize the establishment of the Agency and Inspectorate in the first six months of its mandate. At the same time, the Ministry of Political System and Inter-Community Relations will be put into full operation and staffed further.

As a Government, we will continue with policies that promote the values of community and inter-ethnic trust. In multi-ethnic municipalities, we will increase the contents in the area of education and culture that contribute to citizens' rapprochement. Schools and cultural institutions having such content will receive additional funding for operation and development. We will fund all children and young people up to 25 years of age who wish to learn Macedonian, Albanian, Turkish, Vlach, Serbian or the Romani language.

The Government of the Republic of North Macedonia, in the first month already, will again propose the Law on Protection and Prevention of Discrimination, as a symbol of our commitment to the European values in this area. The Government will strengthen its institutional mechanisms to combat all forms of discrimination.

The Government will invite, encourage and cooperate with the business sector, i.e. both domestic and foreign companies, to also support good inter-ethnic relations and values of tolerance, representation and mutual trust in their work environments, in order to use the full human potential available in our country.

The Government will continue implementing the Strategy for Inter-ethnic Integration and Civic Inclusion and introduce an annual award for the best idea/project that develops and promotes the concept of an equal society for all. It will be intended for young people up to 30 years old and stimulate joint work and creativity. We will stimulate film production for children and youth in multiple languages. We will oppose religious indoctrination, religious and ethnic intolerance which is produced in parts of the media space and social networks.

The Government will establish National Councils of communities that are less than 20% of the total population of the country. This will involve all communities in the policy-making process and ensure their greater representation. We will envisage an open and wide procedure for their constitution. Regarding issues that concern smaller communities, the Government will seek the opinion of the Agency for Community Rights Realization.

In the area of culture, the Government will provide support to the institutions and cultural creativity of smaller communities, as well as to projects that provide greater interactivity and cohesion.

Environmental Protection and Green Development

The right to a healthy environment is a fundamental civil right. What the health crisis caused by the COVID-19 pandemic has shown and taught us is that we need to change the way we plan and carry out our activities. Globally, recommendations are getting increasingly louder that the health and economic crisis should not mean delaying environmental policies. The Government of the Republic of North Macedonia will follow the new European Union's strategy and plan for the renewal of the economic, social and environmental components in the fight against climate change and biodiversity loss, especially through the implementation of the EU Green Deal and United Nations' Sustainable Development Goals.

There is no economy without sustainability and no health without a clean environment. This will be the biggest challenge in our new term: a clean, healthy and well-preserved environment in support of a sustainable economy and society where happy citizens live. We need social, environmental and economic progress that brings prosperity and justice to all citizens, and also preserves values for future generations. This means smart planning and care for public interest. So, the Government will be guided by the following principles: the fight against climate change globally as an integral part of all sector policies, preventive action (before the damage, i.e. pollution occurs), the polluter pays (the cost of environmental protection shall be borne by the legal or natural person endangering the environment), combating environmental degradation at pollution source (where it is simpler and more cost-effective to eliminate pollution consequences) and integrating environmental protection into other policies (on agriculture, transport, energy, industry, etc.).

The Government will achieve this by planning and conducting processes that include, on the one hand, protection of nature and natural resources from pollution and climate change reduction, and on the other hand, country development through continuous investment in green economy and green job creation.

The vision for country development can be achieved by long-term and quality planning that puts priority on public interest, harmonizes the needs of all sectors and offers optimal economic development frameworks that will have the least negative impact on the environment. We are committed to a long-term sustainable development based on the careful use of natural resources. Pollution control and reduction remains one of our primary goals. This includes the use of environmentally friendly fuels and renewable energy sources, the promotion of sustainable waste management, and the proper and equitable water management and green transport. We support the circular economy through which waste amounts will be reduced as a result of the reuse and recycling of materials and products.

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

- Until 2024, no state institution will be heated by old and non-environmentally-friendly heating systems. All public institutions are mapped and decisions will be made on the most adequate solutions: (1) connection to central heating, (2) gas, (3) use of highly efficient inverter air conditioners or (4) heat pumps.
- By the end of 2020, we are introducing an ongoing 24/7 control by the State Environmental Inspectorate and local inspectorates, we are networking both national and local capacities and increasing their competencies. After accreditation of methods, the Central Environmental Laboratory will be made fully available to them, and the State Inspectorate will sign cooperation agreements with accredited supercontrol laboratories every year.
- We will tighten the penalties only in the area of environmental protection as a result of the poor experience with the lack of diligence of institutions and bureaucratic conduct of procedures. Those who illegally pollute the environment and endanger human health for profit will be held criminally liable. Anyone found to have violated the rules and procedures will lose their license and permits due to irresponsible behavior and non-fulfillment of legal obligations.
- The first two years of our term will be dedicated to planned and intensive greening of the country, and especially of the most polluted cities. According to the plan, we will: set up green corridors and

barriers/walls at critical points such as the green wall on the Mother Teresa Clinical Center; larger neglected areas will be replaced with urban greenery and adequate urban equipment; obligation for green zones around industrial facilities; afforestation in military barracks.

- We are starting a change in public transport policies. The Government will support the City of Skopje, which is starting the construction of the Bus Rapid Transport system - fast tram transportation (with the EBRD credit line). We will introduce a more complex system of subsidies and tax incentives for the purchase of “environmentally friendly” vehicles (on electric and hybrid drive), replacement of non-environmentally friendly fuel by gas in transport vehicles (especially regarding cargo transporters, taxis, etc.) and procurement of bicycles.

In cooperation with cities and citizens, we will establish a legal and institutional model for the promotion of bicycle traffic and we will introduce low-emission zones or zones with traffic bans for heavy trucks, timetable for goods delivery, local parking policy (especially near public buildings, primarily kindergartens, schools and health facilities).

- The Government will invest in additional measuring stations throughout the country and a special software application that will ensure an easier and more transparent presentation of the situation with PM particles, both by date and by location, with appropriate summaries and reports.

In 2021, we will introduce a four-level threat early warning system regarding any weather forecast conducive to the occurrence of increased air pollution, which will be part of the existing HMS early warning system.

Data on emissions from large polluters will be available to citizens in real time, as well as from the Environmental Cadaster, registers of pollutants discharge and transmission, registers of environmental permits issued and study reports approved.

We will support initiatives for setting up measuring stations by prescribing different categories of measuring instruments in terms of their measurement accuracy in order to detect the locally predominant air pollution sources.

- We will use the results of the project “Support to Macedonia in its EU accession process regarding the area of environment (2019-2021)”, from which we will obtain a report on the status of air quality monitoring in Macedonia with recommendations included on system improvement, investments in new air quality monitoring instruments and/or instrument repair, increased capacity of air quality experts in Macedonia to manage air quality data, upgraded data management and reporting system.
- We will decrease the legally defined air pollutant limit values (to a lower level) and increase fuel quality standards towards the control of a number of parameters. We will adopt legislation defining a pellet quality standard. In 2021, we will introduce smoke blackout measurement in line with appropriate standards.
- In 2021, we will pass the Law on Industrial Emissions and, as of 2023 we will ensure soft credit lines for the procurement of equipment and new technologies for reducing environmental pollution for small, medium and large facilities. We will ensure import tax reliefs in terms of such equipment.
- We will ensure enhanced control over the operation of vehicle inspection stations, for the purpose of mandatory control of exhaust emissions from the vehicles registered. If a vehicle that is registered and used in traffic exceeds the prescribed measures, the control and accountability shall be immediately activated for the station that approved it, while the vehicle shall be temporarily removed from traffic.
- We will help small and medium enterprises to adapt to the new environmental standards. We will map the small and medium companies that use part of their waste for space heating, thus polluting the air, and we will invite them to participate in the call for subsidizing environmentally friendly equipment for small and medium companies.
- We will propose a law establishing the local level communal police, which will enable the current communal inspectors and Eco Patrols to take joint measures regarding perpetrators of harmful activities, including: waste disposal in places not envisaged for that, creation of illegal landfills from construction debris and mixed municipal waste, burning of tires and other highly harmful

substances, burning and destruction of waste containers, etc., including mandatory fines. The communal police will start functioning in 2021.

- In the first two years, we will invest 5 million euros into energy efficiency of public buildings to reduce energy consumption and pollution.
- In construction, we will perform enhanced control of construction sites and compliance and control of energy and other criteria during construction and reconstruction of buildings.
- The Project “Strengthening Central Level Capacities for Reducing Solid Particles in the Air through the Use of Nuclear Technologies” of IAEA (International Atomic Energy Agency) with 235,990 euros will procure an instrument that uses nuclear technologies to analyze PM particle composition, samplers for air sampling, conduct a measurement campaign and draft a national study to determine the main PM sources in major cities in Macedonia.
- It is our goal that by the end of 2025, at least 60% of the packaging waste volume generated on the territory of the Republic of North Macedonia should be processed via processing operations or used for energy generation, and by the end of 2025, no less than 55%, and no more than 80% of the packaging waste volume generated and collected on the territory of the Republic of North Macedonia should be recycled.

In 2020, we will adopt the National Waste Prevention Plan as a national goal and policy for waste generation, reduction, reuse and recycling (2020-2026).

We will continuously implement activities for installation of systems under the 6 new laws on special waste streams, in order to promote the primary selection of special waste streams (waste plastic and paper, household equipment waste, 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 separate collection at the place of waste generation, recyclable materials, and biodegradable waste treatment. The total reduction of biodegradable waste disposed of in landfills shall amount 25% in the 2020-2026 period.

- We are introducing intensified control of waste import and export, collection, storage and treatment of all types of waste, as well as extraordinary control of all waste management permits issued. We will call on NGOs to join us for transparency and increased trust among citizens.
- We will carry out enhanced inspection control of legal entities possessing licenses on waste collection, transport and treatment (especially medical and other types of hazardous waste), as well as of waste generators.
- In the Skopje region we will support immediate remediation of most illegal dumps, placing priority on Vardarishte landfill and clearing and reclamation of sites with inappropriately disposed waste in both urban and rural areas.

We will implement the activities for an integrated and financially sustainable system for regional solid waste management in the East and Northeast Regions (IPA), including procurement of waste collection vehicles and equipment, illegal dumps closure and construction of a waste management center and six local waste management facilities, i.e. waste transfer stations.

We will provide conditions for establishing a management and financing system in the municipal waste sector in the Southeast, Vardar, Southwest and Pelagonija Regions, for management and construction of landfills, equipment procurement, transfer stations, closure of illegal landfills (EBRD technical assistance). Domestic and EU funding opportunities will be considered, as well as the possibility of a concession or Public Private Partnership model. We are continuing with the modernization of the landfill in the village of Rusino in the Polog Region using the funds provided through the bilateral cooperation between the Government and Switzerland until 2022 (8 million CHF).

- Supporting local authorities in their fight for a clean environment, we will provide direct support for the procurement of 10,000 bins and containers per year.
- By 2024, we will gradually ban the use of plastic bags in retail.
- By 2024, the Government will prepare a new Spatial Plan of the Republic of North Macedonia for

the next 15 years.

- We will adopt a Methodology for development of spatial plans that will respond to modern challenges, protect the public interest and meet the requirements and needs for space use.
- We will be increasing the quality of urban living. In urban planning, when drafting the new Rulebook on urban planning standards and norms, we will envisage as follows:
 - The land that is planned for, or on which park or protective greenery or recreation space is implemented, shall not be allowed for re-purposing (such as housing, commercial buildings, public buildings or manufacturing facilities...).
 - The provision that under the current Rulebook allows for “Any area constructed with a park greenery purpose class ... to be converted into another purpose class solely by a general urban plan” will be complemented by an obligation to ensure the previously planned area in another location, i.e. not to allow the reduction of areas planned for D1 purpose.
 - Strengthened provisions on minimum percentage of greenery per capita at the general urban plan level, which shall certainly be harmonized with the Law on Urban Greenery, but also strengthened to ensure a minimum percentage of public greenery (park and protection greenery, recreational areas), unlike the Law on Urban Greenery, where the minimum percentage also includes areas that represent at least 20% of greenery on construction plots with other classes of purpose.
- We will initiate an amendment to the Law on Mineral Resources to ensure that upon exploitation completion, the terrain reclamation and rehabilitation is indeed implemented.
- We will tackle other critical hotspots as well! We will rehabilitate an industrial hotspot, i.e. we will perform revitalization of the industrial waste landfill of Radusha Mine and Jegunovtse. The SCADA system and Jegunovtse landfill pumping station will be regularly maintained, and the sedimentation tank in the Jegunovtse treatment plant will be repaired.
- Industrial hotspot rehabilitation will be carried out, i.e. the problem with lindane at OHIS chemical plant in Skopje will be addressed (lindane removal from one of the two locations by adequate technology and site revitalization) using 15.5 million dollars provided. Tests will be performed at the third OHIS landfill site.
- Concessions for water use, extraction of sand, gravel and stone from riverbeds will be awarded once a year, including public hearings and participation of the public affected thereby.
- We are introducing a ban on construction of new small hydropower plants in protected areas and national parks.
- The institutional set-up and division of competencies will be revised in order to ensure comprehensive monitoring of water status and quality.
- We are introducing a ban on construction of new small hydropower plants in protected areas.
- The Government will support the construction of a treatment plant for the City of Skopje (136 million euros including a 10 million euro grant component).
By 2022, we will complete: the rehabilitation of the sewerage network in the Municipality of Kichevo, construction of a treatment plant and rehabilitation of the sewerage network in Tetovo and Bitola and connection of the Municipality of Vinitsa to the treatment plant in Kochani.
By 2021, we will complete: the measures for rehabilitation and reconstruction of the collector and treatment plant in Dojran and Vranishte near Ohrid.
- We will provide dignified sanitation in rural and other areas with no access to drinking water. We will provide dry toilets in rural schools where this issue is not solved and there is no access to water. This is not just substitutes for traditional toilets, but they are environmentally friendly, sustainable and safe for both the users and the environment.
- We will increase the share of protected areas through the valorization of areas for protection and revaluation of protected areas (Shar Mountain, Osogovski Mountains, Chengino Kale, Ohrid Lake, Studenchishko Blato, Vodno, Matka Canyon, etc.). The Government’s plan is to develop Shar Mountain as a national park. The identification of proposed areas within the process of establishing the European Coherent Ecological Network “Natura 2000” will continue.
New Management Plans for Pelister NP, Galichica NP and Mavrovo NP will be prepared. We will

help to use natural resources sustainably by branding local areas and products.

We will adopt Plans for Management of Protected Areas (Shar Mountain, Osogovski Mountains, Prespa Lake, Markovi Kuli, etc.) and we will develop a Study for valorization of the natural values of Jablanitsa. We will adopt Spatial Plans for Pelister, Galichica and Mavrovo National Parks, and we will also prepare a Management Plan for Jasen multi-purpose area.

- We are developing a National Disaster Risk Reduction Strategy, in line with the Sendai Framework for Disaster Risk Reduction.

Energy

We have also started transforming our economy in terms of energy. The Government's policy is to fundamentally change the energy profile of the country and prepare it for future challenges and years. We want it to be sustainable, diversified, cheap, with stable supply sources and domestic production increased significantly and much more than in the past, to be able to meet domestic energy needs.

The Government of the Republic of North Macedonia has an ambitious plan by 2024, meaning that over 50% of the total installed power in our country shall be from renewable energy sources. We will strengthen our energy independence and stability with new electricity generation facilities and new energy interconnections with our neighbors. In parallel, we will reduce greenhouse gas emissions from energy sources by over 20%.

During the first 6 months of our new mandate, a tender will be announced for modernization and transformation of Negotino Thermal Power Plant into a plant that will use natural gas and provide opportunities for increased agricultural production.

After the public notice for construction of Chebren HPP through public-private partnership, we have registered increased interest and we rightly expect the start of this project construction, which has been advocated for a number of decades now.

The new 400 MW photovoltaic power plants in the domestic power system will produce clean electricity at a level of about 560 GWh (or about 10% of the total domestic production), which will reduce CO2 emissions into the environment by about 750,000 tons annually, and the total expected investment would be around 250 million euros. Of these, we plan to develop 100 MW in Oslomej TPP. The Government will encourage photovoltaic technology innovation. By these policies, we will influence the opening of new jobs for professionals in our country.

In this Government term, we are planning to have wind power plants built with additional capacity of 160 MW (in addition to the projects that are already underway: Phase 2 of Bogdantsi WPP and Miravtsi 1 WPP), including Miravtsi 2 Power Plant and 100 MW wind power plants on state land with private investors, an investment of over 150 million euros.

We will increase the quota for the construction of new 30 MW biogas power plants for those investors that will open livestock holdings or get organized in cooperatives. The amount of installed capacity for the construction of a biogas power plant will depend on the size of the livestock farm or cooperative. The expected annual production of electricity from these power plants would be at the level of about 150 GWh, while the total investment only in biogas power plants, excluding livestock and agriculture farms, would be at the level of about 90 million euros.

In our new term, we will implement the following projects within the Electricity Company (AD ESM):

- Revitalization and modernization of all three REK Bitola blocks, including dust reduction and desulphurization.
- Revitalization and modernization of REK Bitola Block 1 to reduce nitrogen oxide emissions and open the possibility of using different types of fuel.
- Modernization and rehabilitation of REK Bitola cooling towers to increase their efficiency and replace asbestos and cement materials with environmentally friendly materials.
- Procurement of auxiliary machinery for REK Bitola mines and discontinuous exploitation system equipment (part of the procurement is in progress).

- Preparations for the opening of the Zhivojno Mine.
- Revitalization of existing large hydro-power plants.

We will completely reconstruct the power transmission network, and also build new transmission lines, thus making MEPSO a regional power transmission center. The plan is to implement the following projects: a new 400 kV interconnection transmission line Bitola (MK) - Elbasan (AL) and a 400kV transformer station in Ohrid; a new 400 kV transmission line to be built next to the future Chebren power plant along with a 400kV transformer station near the power plant; and strengthening the electricity network throughout the country by new transmission lines and transformer stations, in order to enable new investments in photovoltaic and wind power plants across the country.

By separating the telecommunication activities from the basic functions of AD MEPSO, we will share the broadband infrastructure and it will be available to all operators that will want to use the so-called Balkan Digital Highway.

In the previous three years, through tireless and continuous work, we have designed and started the realization of the interconnection gas pipeline with our neighbor Greece, from where gas from TAP can be used, and also LNG from the terminals in the region, thus diversifying the supply routes and strengthening our energy independence through the completion of gas trunk lines throughout the country and rapid development of distribution networks for households, administrative, commercial and industrial facilities. The construction of the Skopje-Tetovo-Gostivar gas trunk line will be finalized, including further extension to Kichevo. The Government will start consultations with ZELS on the most adequate model for construction of natural gas distribution networks.

The Government will start the national energy transformation that will give each of our citizens the opportunity to be an energy producer and, certainly, a user of environmentally friendly and cheaper energy. To this end, we envisage special, innovative and highly effective projects for solar thermal collectors (covering about 100,000 households over a period of four years, for which about 30 million euros would be allocated from the domestic budget). This measure will contribute to reducing CO2 emissions into the atmosphere by about 200,000 tons per year.

The Government will establish the same price for heating energy and engaged power in the city of Skopje for all consumer categories connected to the heating network, regardless of the municipality or area of Skopje they live or perform their business activities in.

Through AD ESM, we will build the heating system for Bitola, Mogila and Novatsi for city public buildings, which will significantly reduce pollution, while providing the users with a clean and cheap way of heating. We will expand the heat supply to the areas of Chair, Butel, Skopje North, Madzari 2 and Lisiche by expanding the hot water network.

We will stimulate individual households and collective housing buildings, as well as public buildings (hospitals, schools, kindergartens...) to invest in cogeneration equipment for electricity and heat production. Through AD ESM, within the period from 2022 to 2024, it is planned to build a new 50 MW cogeneration plant within the existing building ENERGY in Zhelezara, thus enabling additional electricity production and meeting the needs for cheaper heating energy. The investment is envisaged to be at the level of 35 million euros.

Within the regional landfills, we will encourage the construction of municipal waste selection stations and use of waste for the production of electricity at a preferential price and with guaranteed purchase of the energy produced.

We Joined NATO; We Can Join EU as Well

In three years, we have managed to build an exemplary state that makes courageous decisions for the future as opposed to the previously internationally isolated state, quarreling with its neighbors, halted in its Euro-Atlantic processes, and with an uncertain and hopeless future; we built a country that is a factor of stability and prosperity in the region. The Prespa Agreement with Greece and the Good Neighbor Agreement with the Republic of Bulgaria opened the doors widely for our NATO and European Union membership.

We have achieved the multi-decade strategic goal - NATO membership! It means peace, stability, a secure future. With NATO, we have ensured the integrity and development of the country. We will use the membership in the most powerful alliance wisely and strategically. The alliance is a great opportunity for a small country with limited resources to increase its specific power and use it to enhance its influence. To this end, we will provide an active and capable NATO Mission that will show in action that the country has the knowledge, experience and a new, modern spirit of work and cooperation.

NATO presents an opportunity for our business community as well. With full membership, a large supply/product chain for the needs of the NATO Alliance has opened up for our companies. We have made the initial communication and contacts with the relevant NATO agencies; in the course of the new term, we will provide strategic assistance to all of our companies interested in using this opportunity for development and higher exports in a more organized way.

The European Union Summit in March 2020 adopted a decision to open the negotiations with the Republic of North Macedonia, free of any conditions. The new negotiation methodology adopted by the EU is in line with the issues of highest importance for us: for the negotiations to be substantial, predictable and efficient, with a single and indisputable ultimate goal – that of full EU membership.

We pursue our European integration and make all reform steps and decisions for our own sake. The essence of all reform processes is for North Macedonia to become a modern, developed, democratic, orderly and open state.

The global COVID crisis highlighted the significance of alliances. The NATO membership and the opening of EU accession negotiations have reaffirmed the importance of being an equal member of these large families both in times of development and in times of crisis. We were provided with financial support from EU in the amount of EUR 160 million as well as with support in the form of medical supplies for easier management of the crisis. The assistance from NATO members was prompt and efficient.

No Safety – No Development

Our NATO membership is the greatest accomplishment of the country. We have made the dream of the founding fathers of the independent Macedonian state come true. We have become a part of the most powerful military and political alliance the world has ever seen, as one among equals. The Government of the Republic of North Macedonia looks at this as not the end, but instead the beginning of a new chapter in the history of our country: the security provides us with the opportunity and strength to be more ambitious and stronger in the areas of economy, good governance and rule of law.

With the membership in the North Atlantic Treaty Organization as well as the future membership in the European Union, the building of capabilities for collective defense, cooperative security and crisis management continues. The issue of survival is a closed topic, and the stability, development and future of the country remain a priority.

The importance of the defense and the NATO membership was demonstrated during the COVID-19 coronavirus pandemic emergency as well. Under difficult and life-threatening conditions, the Army yet again passed the test with an increased role and responsibility in the provision of support for the police, the health system, and the state and local institutions. Our successful response to the aftermath of the COVID-19 pandemic was possible only with a mobilized and prepared Army, to which

numerous NATO trainings and exercises have certainly contributed. In addition, first aid in the form of protective material and equipment arrived through the NATO Mechanism - Euro-Atlantic Disaster Response Coordination Center.

The goal of our defense and security policy is to ensure peaceful development, independence and sovereignty of the state, territorial integrity, constitutional order and public security. Through the application of the principles of transparency, responsibility and accountability on the one hand, and sustainability and implementation of policies based on past productivity and results on the other, the Government of the Republic of North Macedonia will continue with its successful reforms in the defense sector.

To establish a sustainable defense system, we will continue to steadily finance the defense to arrive at 2% of GDP for the defense budget by 2024 through an annual increase of GDP by 0.2%. Steady funding translates into a stable and strong Army and genuine contribution to the Alliance. A strong Army also means strong support of the state in conditions of crises and protection and rescue actions at national level. A strong Army will also mean strong support of the civil society.

As for the strategic documents, the main focus will be on the Defense Goals Plan, which defines our development plans and activities in accordance with the NATO Defense Planning Process - NDPP.

The stable financing of the Army will allow for further increase of the salaries, as well as of the combat readiness and interoperability of the Army in parallel with its serious modernization, especially taking into account the new security challenges. The Government will implement the Army Equipping and Modernization Plan in accordance with the priorities for equipping the forces declared through multi-year projects: development of the Light Infantry Battalion Group located in the garrison in Shtip with a focus on training and equipment; continuation of the initiated project for procurement of armored personnel carriers on wheels; cyber defense; introduction of military aviation of western production; procurement of personal protective equipment for the troops; and procurement of air defense systems. We will intensify the trainings and drill activities. In future, the focus in this segment will also be placed on the forces declared, namely the Light Infantry Battalion Group.

The Government will continue to invest in the modernization of the Krivolak Army Range (infrastructural connection, development of new facilities, solving the water supply problem), which will become a national and NATO resource, but will also contribute to strengthening the local and national economy. Experts from NATO and the United States have highly assessed the capacities of Krivolak, which could possibly grow into a NATO training and drill grounds. We will also provide a permanent measuring station to demonstrate compliance with all environmental protection standards.

We will specialize in the spirit of the "smart defense" concept. Information and fake news, as well as strategic communications and public relations, are becoming security issues of highest priority. We have experience and knowledge that we can offer and upgrade: we will develop the Regional Center for Public Relations (RCPR) at the Ministry of Defense, as an accredited NATO Training and Education Center, so that it becomes a Regional Center for Combating Misinformation and Fake News for the needs of NATO's southern wing, in close cooperation with the Strategic Communications Center of Excellence in Riga.

We are continuing with the improvement and renewal of the infrastructure of military facilities by renovating old facilities and construction of new ones with renewable energy sources in all places and reconstruction of the Ilinden garrison, the SEEBRIG Command, the Military Academy, and the water supply and sewage network in the garrison in Shtip.

In the first year of this term, the Government will engage in a structural reform of the crisis management and protection and rescue systems through reorganization, equipping and training of operational rapid intervention teams. These segments constitute the foundation in building a society resistant to crises and disasters. This has been demonstrated during the crisis and emergency caused by the Coronavirus pandemic. Within the first half of the term, we will realize the "112" open line system.

NATO provides support for the Macedonian science as well! In cooperation with the domestic universities, we will introduce a budget line in the Ministry of Defense's budget to support scientific projects of interest to the defense. The lessons learned and experience from the participation in Science for Peace projects will also be taken into account. The Ministry of Defense will support any scientific project that will obtain financial aid from the defense science funds of individual NATO member countries or of the Alliance.

In the first 12 months, the Government will propose amendments to the Public Procurement Law to allow for direct management of financial resources up to the amount of about EUR 500 by the headquarters and garrisons, as a budget decentralization measure.

In the Ministry of Defense, we will establish a Support Center for of domestic companies participating in NATO tenders. Our goal will be to ensure full communication between our chambers and the relevant NATO agencies as soon as in the first year of our NATO membership.

The Government will continue to highlight the importance and role of preventive diplomacy, conflict prevention and humanitarian activities. In 2020, just as before, we are continuing to focus on our participation in international peacekeeping operations and civilian missions.

Next Goal: EU Membership

In three years, we have radically changed the image of North Macedonia in the region and the world. In parallel with resolving bilateral issues and deepening the regional cooperation, we have embarked on deep internal reforms in the most critical areas of the rule of law and building a functioning democratic state - judicial and public administration reform, reform of the security services, and combatting organized crime and corruption.

The aim of the Government's policies is to bring the European standards and values home and enable a European way of life for the citizens. The European Union is a system of values that constitute the rule of law under which we are all equal before the law, and under which the order, political system and organization are predictable and constitute a part of our daily lives. The progress we have made over the past 3 years means more open funds for our citizens, such that support solidarity, equal society for all, quality infrastructure, productive and sustainable agriculture, as well as a healthy environment.

North Macedonia has a concept that can be a useful model for the European Union. Our behavior, maturity and the unity we are building, as well as our attitude towards our neighbors and the challenges at home, can add value to Europe. The fact that we have emerged from our deep political, social and economic crises as more mature, stronger and wiser can be used as an example in resolving certain open issues in the region and in the EU.

On March 26, 2020, the European Council adopted a decision to start the EU accession negotiations with our country. We have been waiting for this decision for 15 years and we deserved it. With the start of the EU membership negotiations, we are commencing the deepest transformation of society and gradual but thorough and sustainable acceptance of the European rules, principles and values. The Government will ensure that the transformation is efficient and successful and that we as a country are at the same time able to protect our national interest and the interest of our economy and our citizens.

The Government of the Republic of North Macedonia has an ambitious but realistic plan: to complete the negotiations as soon as possible and to become an EU member state during the next wave of EU enlargement. We are beginning with the membership negotiations this year, convinced that our country has the capacity, ability and will to open 80% of the chapters by 2024 - during the term of this Government - and to achieve at least at the same level of integration as the Western Balkan

countries that are currently negotiating their EU membership.

Therefore:

- We are establishing a motivated, efficient and professional negotiating team
- We are achieving a broad consensus among the political parties - as well as in society at large - on the essential reforms related to our accession to the European Union. We will call upon everyone to put the EU membership ahead of their political interests and to support the implementation of the EU priorities and recommendations of the European institutions.
- We are already developing a database of all local experts and experts in the diaspora, who will be additionally involved in the negotiation working groups;
- We will create conditions for better infrastructural connections with Brussels. We will consider the possibility of entering into a strategic partnership with a European airline to introduce a direct and regular flight to and from Brussels;
- We will set up a special budget line for negotiations with the EU within the budgets of the ministries and the other competent institutions;
- In consultations with the academia, we will support new or adapted educational programs that will create the profiles needed by the country for its participation in European institutions;
- We will proactively cooperate with all institutions, political parties, the business community, the civil society and the media in order to bring the negotiation process closer to the citizens. We negotiate on behalf of the whole country. Therefore, the negotiations will involve everyone: the Government, the administration, the Parliament, the regulators, the civil society, the academic community, and the business world;
- "EU Info Network": we will transform the existing EU info points into regional centers for Europe, which will host and deliver daily presentations of opportunities for citizens and the business sector of using European funds, as well as continuous education for maximum absorption and utilization of instruments offered to the country in the pre-accession process.

During the COVID-19 pandemic, the European Union demonstrated its European solidarity with the Western Balkans and North Macedonia in action. The EU has earmarked EUR 3.3 billion for macro-financial recovery of the Western Balkans and the neighboring countries following the end of the pandemic, of which EUR 160 million have already been provided to us. In addition to this aid, the EU provided over EUR 66 million in grants that can be used to help small and medium-sized enterprises and guarantee the country's budget liquidity. EUR 4 million in the form of medical aid to boost the health system's capacity have been approved and partly delivered since the onset of the pandemic. The European Union has included our countries in the European Solidarity Fund, in the joint procurement of necessary deficient products, as well as in the list of countries to which medical equipment can be exported from the EU without a permit.

By the end of 2020, the EU will prepare a robust economic and investment plan for the Western Balkans to revive the countries' economies and improve their competitiveness. We expect solidarity to remain the highest European value, the plans to be based on direct investments in the development and support of companies, and low- instead of high-cost loans, unreasonable savings and long-term over-indebtedness.

Regardless of the areas in which they are allocated, all loans will be used to strengthen and reform the institutions and policies, to promote dialogue with all stakeholders, and to measure their impact on social inclusion, gender equality, protection of human rights, and protection of the environment.

It will be the objective of the Government to bring the funds closer to the citizens, so that such funds are more accessible and visible. This means that, in addition to the funds provided for the state institutions, we will also provide new IPA 3 funds for municipalities, schools, trade unions, marginalized

groups, employers, the unemployed, small and medium enterprises, civil society organizations, universities and research institutions, and even informal groups of citizens.

1. Aware of the challenges related to the absorption power, the Government will invest in the human capital in institutions and beyond for the development of mature projects to be financed through IPA 3 and preparations of the country for the most successful possible utilization of the large European structural and cohesion funds. We are developing the projects in several key pillars:
2. Rule of law, fundamental rights and democracy;
3. Good governance, compliance with European standards, strategic communication and good neighbor relations;
4. Green agenda and sustainable correlation between the environment and climate change / transport / digital changes / energy / circular economy;
5. Competitiveness and inclusive growth - structural reforms / capital investments / administrative capacity building;
6. Territorial and cross-border cooperation - INTERREG / CBC.

To that end, we will create:

- A national strategic document on bilateral assistance. In the same way as there is a National Strategic Document for European Assistance, we will develop such a document for the assistance from other countries (bilateral assistance);
- A negotiations and policy development budget line. The need to provide such a flexible financial package arises out of the ad hoc needs that emerge in the phase of alignment and harmonization with the EU legislation and that could not have been foreseen in the phase of programming the IPA funds;
- A Guarantee Fund for project co-financing and assistance in the development of quality and mature EU projects, support through voucher schemes and framework consultants. Development of projects is a commercial activity, and this is why we will encourage individuals and companies to engage in this line of business, while also furthering the development of the so-called voucher system. This system is particularly suitable for micro, small and medium-sized enterprises in utilizing funds under the EU programs, especially in the development of innovative and digitized solutions. The voucher system will also be available for other target groups, such as farmers in the development of projects under the IPARD program, educational institutions for the Erasmus + Program, and others. The system of consultants will be strictly regulated following the example of the EU framework consultants and will receive additional benefits, mainly in the form of tax breaks.
- A Guarantee Fund for co-financing projects and obtaining a status of an entity of public interest. Any organization that attracts European funds and receives co-financing for it, will gain the status of "an organization of public interest" and will receive additional benefits, primarily through tax breaks.

There can be no successful EU integration without high-quality people in the institutions: motivated, competent, well trained people of integrity, who will be the main pillar of the process of positive changes. We will develop a comprehensive, smart policy of retaining the staff.

Macedonia in the World

We have become a regional example of friendship and cooperation. The successful resolution of issues with our neighbors has led to the creation of new positive economic and financial flows, adding fresh energy to the regional co-operation in the Western Balkans.

Our success was also confirmed by the European Union. For the first time, the countries involved in the Berlin Process agreed this year to have two countries chairing the process: the Republic of North Macedonia as a Western Balkan country and the Republic of Bulgaria, as an EU Member State. The Berlin Process presidency presents an opportunity for our country to have greater influence on the

processes and policies in the region, as well as for the promotion of our successes and for stronger economic cooperation.

The primary interest of Macedonia in the field of regional cooperation is to develop practical measures that facilitate the daily life of citizens and remove the barriers to 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 Balkan countries, demonstrate our maturity in being able to do something both for the region and for 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 allow for easier communication at the border points, as follows: Strezimir-Restelitsa (with Kosovo), Majden-Promahi and Markova Noga (with Greece), Klepalo (with Bulgaria), Lojane-Miratovats and Golesh-Bosiligrad (with Serbia), and Dzepishte-Trebishte (with Albania).

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

We will, therefore, launch the initiative for the Prespa Forum for Regional Dialogue. It is a regional forum for good neighbor relations and resolving bilateral issues, as well as a forum from which new regional cooperation initiatives will emerge. Within the forum, we will support the process of setting up offices for Macedonian - Greek youth cooperation, while also facilitating all activities and projects of such offices aimed at enabling the exchange of experiences and connecting the young people from the two countries.

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

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

As part of its 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 of the involved and competent institutions, and will bring the foreign policy goals in line with the national policy. In addition to representatives of government institutions, non-governmental and international organizations will also be involved in the development of the strategy. We will establish a Network of our successful citizens living abroad and invite them to help in our efforts of promoting the country. We will also carry out Targeted promotion of the country's economic, cultural and tourism potentials under the title "Land of Opportunities" (highlighting the latest successes in the field of culture: Oscars, Eurovision).

The government will continue to invest in a high-quality diplomatic network, by optimizing its diplomatic missions and strengthening their human and technical capacities. The Public Diplomacy Department will carry out concrete and thorough preparations of the diplomatic staff, focusing on the elements of their diplomatic activities adding to the benefit of the public, cultural and economic diplomacy.

We will favor e-Embassies. We will digitize the services for our fellow citizens traveling abroad or temporarily/permanently residing outside the Republic of North Macedonia by introducing the "e-Embassy" application, to assist our diplomatic and consular offices in timely meeting the needs and requirements of our fellow citizens.

The Government has already adopted the first National Strategy for Cooperation with the Diaspora. In this way, we have erected a solid bridge that will result in quality and constructive cooperation between the state and its 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 projects coming from the diaspora, as we have in the case of over 50 projects over

the past 3 years. Under this support, investors from the diaspora will be granted state financial aid for their initial investments that is 10% higher than that for domestic and foreign investors.