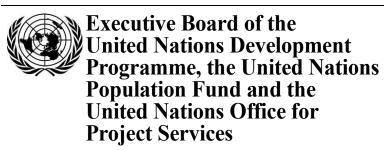
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Country programme document for the former Yugoslav Republic of Macedonia (2016-2020)

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I. Programme rationale

- 1. Since independence in 1991 the country has set about establishing a parliamentary democracy and a market economy and plotting a path to membership of the European Union. Despite substantial advancement in meeting the requirements for accession, this ambition has been foiled by the long-running dispute over the name of the country. For six consecutive years the European Commission has recommended opening accession negotiations, but agreement has each time been withheld. While public support for European integration remains strong, the prolonged impasse threatens to slow the pace of necessary reforms.
- 2. The country has a diverse population of roughly 2 million. According to the most recent census, conducted in 2002, ethnic Macedonians account for 64.2 per cent of the population, Albanians, 25.2 per cent, and other ethnic groups, 10.6 per cent.¹ The country escaped the large-scale armed conflict that accompanied the breakup of Yugoslavia in the 1990s but faced violence along ethnic lines in 2001. A six-month conflict was halted thanks to the Ohrid Framework Agreement,² which pledged expanded rights for minorities and the decentralization of public services. Although ethnic Albanian parties are represented as a rule in government coalitions, frictions between the two main ethnic communities persist.
- 3. Since 2001, the country has enjoyed broad stability, although recent political polarization has caused uncertainty and raised fresh human rights concerns. Per-capita gross national income has doubled since independence, to \$4,870 in 2013,³ and the economy is classified as high-middle-income. Business-friendly policies have been adopted to attract foreign direct investment, and government-funded infrastructure projects have helped drive growth.
- 4. However, several development challenges persist:
 - (a) Ensuring access to gainful employment for all citizens. Unemployment remains the main socio-economic challenge. Though down from its peak of 37.2 per cent in 2005, unemployment was still 28 per cent in 2014. Labour force participation is among the lowest in Europe, reflecting both a large informal sector (accounting for one job in five) and limited job-creation capacity.⁴ Youth unemployment is a particular challenge: 45.1 per cent of those under 29 were jobless in 2014, stoking high rates of emigration among the young. Unemployment is a major contributor to poverty: only 11.1 per cent of those with jobs are threatened by poverty, whereas 43.7 per cent of the jobless face that risk.⁵ Solving the jobs crisis will thus do much to eliminate poverty.
 - (b) Overcoming social exclusion and protecting the vulnerable. Economic growth has yet to translate into improved well-being for all income groups. Inequality remains pronounced: the Gini coefficient was 37 per cent in 2013.⁶ According to the World Bank, the past decade has benefited the top 60 per cent while the "bottom 40 per cent" has fallen behind.⁷ 24.2 per cent of the population was at risk of poverty in 2013 and 48.1 per cent faced either poverty or social

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¹ State Statistical Office (http://www.stat.gov.mk/PrikaziPoslednaPublikacija en.aspx?id=54).

² Full text: http://www.ucd.ie/ibis/filestore/Ohrid%20Framework%20Agreement.pdf.

³ World Bank Development Indicators.

⁴ State Statistical Office, Labour Force Survey, 2013 (http://www.stat.gov.mk/Publikacii/2.4.14.04.pdf).

⁵ 2013 Laeken poverty indicators, State Statistical Office (http://www.stat.gov.mk/pdf/2015/4.1.15.34.pdf).

[°] Ibid.

World Bank, Country Partnership Strategy, 2015-2018 (http://www.worldbank.org/content/dam/Worldbank/document/eca/mk-cps-2015-2018-eng.pdf).

exclusion.⁸ Two groups are particularly vulnerable. The Roma community experiences multiple deprivations, in income, health, housing, education and employment.⁹ Roma unemployment was 51 per cent in 2011, against 27 per cent for non-Roma, and income poverty was 41 per cent, against 14 per cent for non-Roma.¹⁰ Persons with disabilities are a second marginalized group. Only a fraction of children with disabilities receive any kind of formal education; few adults with disabilities find meaningful employment; and accessibility of public facilities is uneven. More inclusive policies and practices are needed to address these challenges.

- (c) Strengthening institutions to deliver public services. Although the country has been assessed as complying with the political criteria for European Union membership, the 2014 progress report warned against "backsliding" and urged a renewed commitment to media freedom, the rule of law and the de-politicization of state institutions. 11 Inter-ethnic cohesion is also seen as needing cultivation and young people merit a greater say in public life. These concerns echo long-standing recommendations from United Nations human rights mechanisms. 12 At the local level, decentralization is incomplete: although significant responsibilities have been devolved, the 81 units of local self-government – especially small and rural ones – often lack the resources needed to fulfil them properly. Municipal revenues as a share of gross domestic product rose from 4.68 per cent in 2010 to 6.27 per cent in 2012, but regressed to 5.88 per cent in 2013.13 Many municipalities struggle to cover basic expenditures, leaving them little leeway to promote social welfare or invest in development. Corruption remains pervasive at all levels: 10.8 per cent of those surveyed in 2011 had experienced some form of recent bribery experience. 14
- (d) Protecting the environment, fighting climate change and building resilience. Alignment with European environmental standards is progressing, but full compliance will cost an estimated €2.3 billion.¹⁵ Short-term economic gains often prevail over long-term environmental interests. Industry is resource-intensive; here, improved energy efficiency promises vast savings. Two-thirds of energy production relies on coal; city air pollution often exceeds legal norms. Although 20 per cent (or 230,083 hectares) of all territory is slated for nature conservation, only 79,433 hectares are now under any sort of protected area scheme.¹⁶ The country is vulnerable to earthquakes and other disasters. Weather extremes caused by climate change already pose a threat to agriculture, which accounts for 10.2 per cent of gross domestic product and 36 per cent of employment. Competing demands strain water resources and flooding has become an endemic threat to homes and farms. Environmental awareness

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⁸ State Statistical Office (http://www.stat.gov.mk/pdf/2015/4.1.15.34.pdf).

⁹ UNDP, Roma Poverty from a Human Development Perspective, 2014.

⁽http://www.eurasia.undp.org/content/dam/rbec/docs/roma%20poverty%20from%20a%20human%20development%20perspective.pdf).

UNDP, Roma and Non-Roma in the Labour Market, 2013 (http://www.eurasia.undp.org/content/rbec/en/home/library/roma/roma-and-non-roma-in-the-labour-market.html).
 European Commission, 2014 Progress Report (http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-the-former-yugoslav-republic-of-macedonia-progress-report en.pdf).

¹² Among others, the report of the Working Group on the Universal Periodic Review, 26 March 2014 (http://daccess-dds-

ny.un.org/doc/UNDOC/GEN/G14/125/78/PDF/G1412578.pdf?OpenElement), and the report of the Special Rapporteur on the promotion and protection of the right to freedom of opinion and expression, 1 April 2014 (http://www.ohchr.org/EN/HRBodies/HRC/RegularSessions/Session26/Documents/A-HRC-26-30-Add2_en.doc).

¹³ Ministry of Finance/UNDP, 2013 Report on Local Government Financing, December 2014.

¹⁴ United Nations Office on Drugs and Crime, Corruption in the former Yugoslav Republic of Macedonia: Bribery as Experienced by the Population, 2011 (http://www.unodc.org/documents/data-and-analysis/statistics/corruption/Corruption_report_fYR_Macedonia_FINAL_web.pdf).

European Commission, Instrument for Pre-Accession Assistance: Indicative Strategy Paper for the former Yugoslav Republic of Macedonia, August 2014 (http://ec.europa.eu/enlargement/pdf/key_documents/2014/20140919-csp-former-yugoslav-republic-of-macedonia.pdf).

¹⁶ Fifth National Report to the Convention on Biological Diversity (http://www.moepp.gov.mk/wp-content/uploads/2014/12/Petti-nacionalen-izvestaj_MK_designed.pdf).

remains limited; the private sector and the wider public need to become more active to meet the challenges ahead.

- (e) **Delivering on gender equality commitments.** The principle of gender equality is enshrined in national legislation but is not yet an everyday reality. Although unemployment rates are similar for men and women, there is a 23-percentage-point gap in labour force participation rates between women (45.8 per cent) and men (68.5 per cent).¹⁷ Activity rates for minority women are far lower than they are for ethnic Macedonians. Women earn on average 17.5 per cent less than do men performing similar jobs.¹⁸ Occupations remain heavily segregated by gender, and women generally bear the full load of unpaid household and care work.¹⁹ Women are also underrepresented in leadership positions. Quotas have increased the share of women in parliament and local councils to over 30 per cent, but only 4 of 81 mayors and 1 of 25 ministers are women. An estimated one woman in three falls victim to gender-based violence.
- 5. During the 2010-2015 programme cycle, UNDP contributed in all of these areas, building the foundations for continuity and expansion in 2016-2020. First, UNDP partnered with the Ministry of Labour and Social Policy to support 6,700 unemployed people in creating their own small businesses, providing training, coaching, mentoring and small grants. In 2014, the programme was responsible for 12.5 per cent of all new private-sector jobs and 14 per cent of all new businesses created.²⁰ Sustainability rates for the programme surpass 70 per cent.²¹ That work has created a platform for easing hard-to-employ groups into the labour market, with a focus on young people, women and Roma. Second, UNDP has supported the Ministries of Finance and Local Self-Government in pursuing fiscal decentralization, while working directly with municipalities to build management capacities and adopt more transparent, accountable and participatory methods. Different models of intermunicipal cooperation (development centres and business-support centres) have been tested in the 8 planning regions in a promising effort to transform statistical units into functioning regional networks of mayors, businesses and civil society organizations. Third, a decade of UNDP work on water-basin management in the Prespa Lake region, supported by the Global Environment Facility (GEF) and the Swiss Agency for Development and Cooperation (SDC), has reduced the eutrophication that threatens water quality and biodiversity. Apple farmers have adopted more sustainable practices, creating the nucleus of a future 'green jobs' approach for other branches. UNDP will now apply the Prespa model in the Strumica River Basin and elsewhere. In addition, UNDP has supported the Ministry of Environment and Physical Planning in preparing a policy framework for climate change, and in ensuring that carbon inventories and reporting obligations are up-todate. UNDP has also worked with the Crisis Management Centre to complete hazard assessments for all 80 municipalities and the City of Skopje. Fourth, UNDP has worked with other United Nations organizations to fight gender-based violence, both by promoting better policies (including a new domestic violence law that took force in 2015) and by challenging stereotypes. Those efforts contributed to a 25 per cent rise in the reporting of domestic violence between 2013 and 2014.²²

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¹⁷ State Statistical Office, Labour Force Survey, 2013 (http://www.stat.gov.mk/Publikacii/2.4.14.04.pdf).

¹⁸ International Labour Organization (ILO), The Gender Pay Gap in the former Yugoslav Republic of Macedonia, 2012 (http://ow.ly/L23Ur).

European Commission, The Current Situation of Gender Equality, 2012 (http://ec.europa.eu/justice/gender-equality/files/epo_campaign/country-profile_fyrom_en.pdf).

²⁰ State Statistical Office, Labour Force Survey for Q4 2014 (http://www.stat.gov.mk/pdf/2015/2.1.15.04.pdf) and UNDP calculations.

²¹ ILO, Impact Evaluation of Active Labour Market Programmes in fYR Macedonia (2008-2012), 2014.

²² Ministry of Interior (http://24vesti.mk/za-25-e-zgolemen-brojot-na-prijaveni-sluchai-na-nasilstvo-vrz-zheni).

6. As documented in regular evaluations, UNDP achievements rested on long-standing open and collaborative relationships with partners and donors. UNDP contributions were most successful where the same staff could engage directly with local counterparts over extended periods (years rather than months), providing on-site informal coaching alongside day-to-day project support; where proposed solutions could be piloted and tested before scaling up; and where development results could be aligned with benchmarks for European integration.

II. Programme priorities and partnerships

- 7. The achievements of earlier programmes signpost a clear path for UNDP in the 2016-2020 period, which is fully aligned with the UNDP strategic plan and the draft Sustainable Development Goals. Programme priorities are drawn from the *Partnership for Sustainable Development*, which defines the United Nations strategy for the 2016-2020 period and reflects intensive consultations held in 2014-2015. UNDP will pursue four of the five partnership outcomes and will weave the fifth, on gender equality, into the other four.
- 8. The implementation capacity of the office was validated by the 'satisfactory' outcome of a November 2014 audit.²³ In future, a more flexible organizational structure will allow issues-based solution teams to tackle development challenges in a more integrated, interdisciplinary fashion. The office has already earned a reputation as an innovation pioneer,²⁴ and will build on that foundation to apply human-centred design and new information technology-driven solutions in the 2016-2020 period to expand programme reach and multiply benefits.
- 9. Human rights will be the bedrock of the programme, with the key United Nations conventions almost all of which the country has signed and ratified providing frameworks for policy and implementation. Those principles will be reinforced by the complementary ideals and aspirations that drive the European Union accession agenda.
- 10. Gender equality will underpin all programme areas and also be a specific focus for activities aimed at gender-based violence. Indicators and targets will be disaggregated by sex wherever possible. Women are assumed not to be vulnerable by definition but are seen as a vital resource whose energy, ideas and leadership must be unleashed to achieve prosperity.
- 11. The programme will rely heavily on East-East cooperation. Achievements in areas such as active labour market measures and water-basin management are already being shared through UNDP networks. The country will also benefit from the experience of new European Union member states in peer-to-peer exchanges of accession experience, and of Turkey and other countries in promoting small and medium-sized enterprises as engines of job growth.
- 12. **Employment** is the first priority, in line with *Partnership for Sustainable Development* outcome 1: "By 2020, more women and men are able to improve their livelihoods by securing sustainable employment in an increasingly competitive and job-rich economy."
- 13. UNDP will work with the Ministry of Labour and Social Policy, the Employment Service Agency and other actors to design and implement policies that foster new private-sector jobs. A focus on home-grown small and medium-sized enterprises will complement the government emphasis on multinationals. UNDP will

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²³ Http://audit-public-disclosure.undp.org/view_audit_rpt_2.cfm?audit_id=1422.

²⁴ See: Innovation Stories, http://www.mk.undp.org/content/dam/the_former_yugoslav_republic_of_macedonia/docs/Innovation%20stories.pdf.

help infuse social inclusion and decent work standards into national employment strategies and continue to implement active labour market measures, with a focus on ensuring that hard-to-employ groups enjoy better access to the formal labour market. Low participation rates of minority women will be addressed. To reduce high rates of youth unemployment, vocational training will be reoriented towards skills needed by the private sector. Young people will be encouraged to pursue entrepreneurship rather than jobs in public administration. Throughout, UNDP will follow normative guidance under the International Labour Organization decent work agenda²⁵ and help firms create 'green jobs' and adopt more environmentally friendly practices.

- 14. **Democratic governance** is the second priority, in line with *Partnership for Sustainable Development* outcome 2: "By 2020, national and local institutions and officials are better able to design and deliver high-quality services for all residents, in a transparent, cost-effective, non-discriminatory and gender-sensitive manner."
- 15. UNDP will work with the Ministry of Local Self-Government, line ministries, municipal administrations and civil society organizations to improve local-level service provision. This work will be aligned with the decentralization process and the principles of equitable regional development, with the aim of ensuring that local governments have sufficient funding and management abilities to serve their constituencies. Policymaking will become more participatory and transparent, and vulnerable groups will benefit from improved cooperation between municipalities, social welfare centres and civil society. Inter-municipal cooperation will help build economies of scale. Alternative means of service provision, such as e-services, will be expanded. Support will be provided at national and local levels to improve anticorruption policies and expand the use of municipal 'integrity systems'.
- 16. UNDP will support greater civil society engagement in decision-making and oversight of local policies and budgets. As UNDP works to improve municipal financial management, it will partner with UN-Women in promoting gender-sensitive policies and budgets. With the United Nations Population Fund (UNFPA), UNDP will work to expand the engagement of young people in issues affecting them and help policymakers better address youth concerns, including by creating of participatory and gender-sensitive youth strategies. UNDP will continue engaging with institutional and civil society actors to promote inter-ethnic cohesion, particularly among youth at the local level. Finally, UNDP will use East-East cooperation to support alignment with European Union standards in the crucial area of rule of law.
- 17. UNDP also stands ready to provide assistance in addressing the democratic deficits and rule-of-law challenges identified in European Commission annual progress reports, United Nations treaty reviews and other assessments, including in the key areas of elections, justice and mass media. Broader civic engagement in governance will be supported.
- 18. **Social inclusion** is the third priority, in line with *Partnership for Sustainable Development* outcome 3: "By 2020, more members of socially excluded and vulnerable groups are empowered to exercise their rights and enjoy a better quality of life and equitable access to basic services."
- 19. UNDP will work in two main areas. It will partner with the Ministry of Labour and Social Policy, social welfare centres and municipalities to provide integrated, custom-tailored social services to all individuals in need. The case management system for

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²⁵ Decent Work Country Programme 2015-2018 (http://www.ilo.org/budapest/what-we-do/decent-work-country-programmes/WCMS_358382/lang--en/index.htm).

social welfare provision will be introduced. In some cases, such as with respect to people with disabilities, improved policies will depend on filling gaps in available national statistics, so UNDP will partner with the State Statistical Office to advance traditional methods of data collection while experimenting with more innovative proxy measures. UNDP will also work directly to help vulnerable and socially excluded groups exercise their rights and build the capacities they need to shape the policies and services that affect them. Here UNDP will build partnerships with other United Nations organizations and civil society to implement the United Nations Convention on the Rights of Persons with Disabilities and to promote Roma inclusion.

- 20. The partnership between UNDP, UNFPA and UN-Women will be extended to promote gender equality and the fight against gender-based violence. If funding can be mobilized, UNDP will work with police, prosecutors, judges and staffs of social welfare centres to ensure that the new domestic violence law is effective in its preventive and protective functions, and assist national partners in aligning key legislation with the Convention on the Elimination of All Forms of Discrimination against Women and the Istanbul Convention.
- 21. *Environmental sustainability and resilience* is the fourth priority, in line with *Partnership for Sustainable Development* outcome 4: "By 2020, individuals, the private sector and state institutions base their actions on the principles of sustainable development and communities are more resilient to disasters and environmental risks."
- 22. Working in partnership with the Ministry of Environment and Physical Planning and the Ministry of Agriculture, Forestry and Water Economy, as well as with municipalities and civil society, UNDP will focus on five interrelated challenges: first, broadening awareness of ecological threats from a narrow group of experts and policymakers to the broader public, so as to encourage the behavioural changes needed to protect the environment and fight climate change; second, adopting policies and practices to reduce carbon emissions and prepare for the extreme weather events and patterns of flood and drought that accompany climate change, while generating 'green jobs'; third, improving the management of protected areas to preserve biodiversity; fourth, improving management of water basins to ensure that water quality is preserved, the threat of floods is reduced, and the many disparate interests in water resources are balanced; and fifth, ensuring that the Crisis Management Centre, the Protection and Rescue Directorate, municipalities and individuals improve their disaster preparedness in a gender-sensitive way, including by enacting the European Union Floods Directive.

III. Programme and risk management

- 23. The country programme will be nationally executed. The government coordinating agency will be the Ministry of Foreign Affairs, and other national and subnational authorities and civil society organizations will be implementing partners, as defined in the *Partnership for Sustainable Development*. The key principles of programme management will be joint formulation, implementation, monitoring, and cost-sharing of country programme projects. Direct execution will be used in exceptional situations. UNDP will continue to provide implementation support services at the request of the Government.
- 24. UNDP seed funds will be matched by resources from three primary sources. The programme will continue to rely on government cost-sharing for activities focused on employment promotion and decentralization and local development. Municipal cost-sharing will play an increasing role in supporting local initiatives aimed at vulnerable groups. SDC, the last major bilateral donor in Skopje, is expected to

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continue to treat the country as a priority, emphasizing water management and democratic governance, and to rely on UNDP as a partner. Finally, UNDP will start implementing projects funded under the Instrument for Pre-Accession Assistance in flood recovery, decentralization and nature protection, and will explore a deeper partnership with the European Union under the second Instrument for Pre-Accession Assistance modality.

- 25. The country office will have to manage two main risks. The most important is funding, since a change in priorities by any of the three key UNDP partners could undermine the programme. Diversification will be sought through proposals to GEF and the Green Climate Fund, and other new and non-traditional sources will be explored. Project implementation will need to be impeccable, and the office will maintain financial prudence to prepare for potential shocks. The second risk is political, particularly given the crisis atmosphere prevailing in 2015. UNDP will maintain its firmly non-partisan stance, its grounding in human rights and other United Nations values, and its focus on the mission of bringing tangible improvements to people's lives. Midterm flexibility may be required in programme activities, and the office will stand ready to respond to possible shifts in national priorities.
- 26. This country programme document outlines UNDP contributions to national results and serves as the primary unit of accountability to the Executive Board for results alignment and resources assigned to the programme at the country level. Accountabilities of managers at the country, regional and headquarters levels with respect to country programmes is prescribed in the programme and operations policies and procedures and the internal controls framework.

IV. Monitoring and evaluation

- 27. Outcome and output indicators have been carefully selected to ensure that they can be measured easily and monitored on a regular basis. Some baseline data and targets will be set in 2015 and 2016, in consultation with national partners. In some cases, UNDP will derive the data itself through commissioned surveys. In others, UNDP will work with partners to generate data to fill statistical gaps, such as on people with disabilities. In the absence of a new census, UNDP will work with partners to create suitable proxies to inform policymaking. It will also help the country make its monitoring and evaluation capacities more robust.
- 28. As in the previous cycle, UNDP will rely on evaluations as a basis for programming decisions. Evaluations will cover entire outcomes rather than single projects to support the reorientation of the office around integrated, issues-based development solutions.
- 29. Rather than develop an agenda focused on time-consuming larger reports and studies, UNDP will promote user-friendly and practitioner-based tools for sharing knowledge and reporting results. The office will experiment in areas such as storytelling and real-time data to create a country programme that is 'self-evaluating', and also keep the focus firmly on the lives of the flesh-and-blood human beings who are the reason we do what we do.

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Annex. Results and resources framework for the former Yugoslav Republic of Macedonia (2016-2020)

National priority or goal: Increased economic growth and employment as a precondition for improved standards of living and quality of life for citizens.

Partnership for Sustainable Development (PSD) outcome 1. By 2020, more men and women are able to improve their livelihoods by securing decent and sustainable employment in an increasingly competitive and job-rich economy.

Strategic plan outcome 1. Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded.

UNPSD outcome indicators, baselines, targets	Data source and frequency of data collection, and responsibilities	Indicative country programme outputs	Major partners / partnerships frameworks	Indicative resources by outcome (in \$ thousands)
1.1. Unemployment rates Baseline (Q4 2014):	ILO Labour Force Survey	1.1. National institutions have improved capacities to develop, implement and monitor policies and measures that help to generate more	Ministry of Labour and Social Policy (MLSP)	Regular: 900
Overall: 27.6%; women: 28.4%; men: 27.1% Target (2020): overall 22.6%; women: 23.4%; men 22.1% 1.2. Youth (under 29) unemployment rates Baseline (Q3 2014): Overall: 52%; women: 49.3%; men: 53.6% Target (2020): Overall: 47%; women 44.3%; men 48.6% 1.3. Informal-sector employment rates Baseline (2013): Overall: 22.5%; women: 21.7%; men: 23.1% Target (2020): Overall 19.5%; women 21.7%; men 20.1% 1.4. Labour force participation rates Baseline (2012): Overall: 55%; women: 43%; men: 67% Target (2020): To be determined	(LFS) State Statistical Office (SSO) LFS LFS	sustainable jobs Indicator 1.1.1: Cumulative number of additional full-time jobs created Baseline (2015): Zero Target (2020): Overall 5,500; women 2,035; men 3,465 Means of verification: ESA Indicator 1.1.2: Extent* to which policies, systems and/or institutional measures are in place at the national and subnational levels to generate and strengthen employment and livelihoods Baseline (2015): 3; Target (2020): 4 Means of verification: MLSP, yearly 1.2. Groups with low participation/employment rates gain the skills and access they need to secure decent jobs in the formal labour market Indicator 1.2.1: Roma success rates UNDP-supported labour market measures Baseline (2014): Overall 47%; women 41%; men 50% Target (2020): To be determined Means of verification: UNDP, ESA Indicator 1.2.2: Number of companies that employ people with disabilities Baseline (2014): Overall 1,578; public sector 153; private companies 1,159; protected associations 266; Target (2020): To be determined Means of verification: ESA Indicator 1.2.3: Number of ethnic Albanian women participating in UNDP-supported active labour market measures Baseline (2014): 1,119; Target (2020): To be determined Means of verification: UNDP, ESA 1.3. The education and training system is strengthened to provide people with the credentials and skills they need to meet labour market demands Indicator 1.3.1: Share of working-age women and men who find employment within 12 months of receiving skills training as part of UNDP-supported active labour market measures Baseline: To be determined Target: To be determined	Employment Service Agency (ESA)	Other: 20,000

Means of verification: ESA
Indicator 1.3.2: Equivalency and continuing education system created
for adults who did not finish school
Baseline: No system exists
Target: Equivalency diploma and continuing-education system created
and in use
Means of verification: Ministry of Education and Science, Centre for
Adult Education

1.4. National policies foster entrepreneurship, a positive business
environment and sustainable private sector growth
Indicator 1.4.1: Country score in World Economic Forum
competitiveness index
Baseline (2014): 4.3
Target (2020): To be determined
Means of verification: World Economic Forum, annual

National priority: Undertaking reforms to increase efficiency, effectiveness and accountability, boosting transparency and openness, improving service quality and citizen satisfaction

PSD outcome 2. By 2020, national and local institutions are better able to design and deliver high-quality services for all residents, in a transparent, cost-effective, non-discriminatory and gender-sensitive manner.

Strategic plan outcome 2. Citizens' expectations for voice, development, the rule of law and accountability are met by stronger systems of democratic governance.

2.1. Share of total municipal spending devoted to social services Baseline (2014): 57.9% Target (2020): 64%	Municipal reports	2.1. Local governance institutions strengthened to deliver services efficiently and equitably Indicator 2.1.1: User satisfaction with municipal social protection services Baseline (2014): 2.99; Target (2020): 3.30 Means of verification: Periodic citizens satisfaction survey under	Ministry of Local Self- Government (MLSG); Municipalities; Association of Local Self- Government Units	Regular: 900 Other: 12,550
2.2. Country score in World Bank global governance effectiveness index Baseline (2013): -0.0615 Target (2020): 0.0	World Bank	MLSG auspices Indicator 2.1.2: Number of municipal councils implementing participatory budget planning Baseline (2014): 52; Target (2020): 70 Means of verification: MLSG, municipal reports Indicator 2.1.3: Number of municipalities that show progress in		
2.3. Number of municipalities implementing gender-sensitive policies and budgets Baseline (2014): 4 Target (2020): 15	Municipal reports, annually	providing equal access to public facilities and services for persons with disabilities Baseline (2014): To be determined; Target (2020): To be determined Means of verification: Municipal reports Indicator 2.1.4: Level* of capacity of subnational governments/administrations for planning delivery of basic services		
2.4. Share of young people (under 29) who see their future in the country Baseline (2016): To be determined Target (2020): To be determined	Real-time monitoring surveys	Baseline (2013): 3; Target (2020): 4 2.2. Civil society groups, individuals and young people participate directly in decision-making processes and more actively monitor national and local institutions Indicator 2.2.1: Share of citizens satisfied with the degree of public participation in their municipality Baseline (2014): 25%; Target (2020): 40% Means of verification: Periodic citizen perception surveys. Indicator 2.2.2: Comprehensive national gender-aware youth strategy		

developed and implemented in participatory fashion Baseline (2014): Youth strategy expired without full implementation Target (2020): Comprehensive gender-aware youth strategy adopted and implemented in participatory fashion Means of verification: Agency for Youth and Sport Indicator 2.2.3: Number of municipalities having a youth strategy Baseline (2015): 11; Target (2020): 60 Data source: MLSG reports, annual 2.3. National and local institutions have improved capacities to apply the principles of rule of law, accountability and transparency in the delivery of public services Indicator 2.3.1: Progress in fighting corruption as assessed in European Union monitoring Baseline (2014): Little progress Target (2020): Tangible improvements Means of verification: European Commission annual progress reports	
Indicator 2.3.2: Number of municipalities using fully-fledged integrity systems Baseline (2014): 10; Target (2020): 40 Means of verification: State Anti-Corruption Commission, civil society organisation (CSO) reports	

National priority: Achieving sustainable economic development is possible only through good social protection of the most vulnerable layers of the population.

PSD outcome 3: By 2020, members of socially excluded and vulnerable groups are more empowered to claim their rights and enjoy a better quality of life and equitable access to basic services.

Strategic plan outcome 3: Countries have strengthened institutions to progressively deliver universal access to basic services.

risk of poverty or social exclusion (AROPE ²⁶ combined indicator) Baseline (2013): Overall: 48.1%; men: 48.4%; women: 47.8% Target: To be determined 3.2. Number of Roma adults employed in the formal economy Baseline (2014): Overall 4,209, men 2,889, women 1,320 Target (2020): To be determined	ESA; UNDP, World Bank, Fundamental Rights Agency and Open Society Institute regional survey Reports from Ministry of Interior, public prosecutor; court data	3.1. Statistical data generated to support evidence-based policies and programmes aimed at vulnerable and socially excluded groups Indicator 3.1.1: Number of new data tools or systems developed to address statistical gaps on persons with disabilities and other vulnerable groups Baseline (2014): 0; Target (2020): 5 Means of verification: UNDP Indicator 3.2.2: Up-to-date data available on labour force participation by women from different ethnic groups Baseline (2006): Latest LFS survey with ethnic breakdown was in 2006 Target (2020): Data available and updated at regular intervals 3.2. More socially excluded and vulnerable people participate directly in the design and delivery of social services Indicator 3.2.1. Number of social services involving user participation in design and delivery Baseline: To be determined; Target: To be determined Means of verification: UNDP	MLSP; Ministry of Education and Science; Adult Education Centre; Municipalities; Social welfare centres	Regular: 565 Other: 500	
3.3. Number of reported cases of domestic violence		3.3. More persons with disabilities are able to realize their rights and			

10/10	that result in court proceedings Baseline (2015): To be determined for civil/criminal courts in 2015 Target (2020): 30% increase in civil/criminal court cases	Parliament	enjoy better living standards in line with the UN Convention on the Rights of Persons with Disabilities Indicator 3.3.1: Number of adults with disabilities employed Baseline (2015): Overall 4,425; in protected associations 2,719; public sector 271; private sector 1,435 Target (2020): To be determined Means of verification: ESA	
	3.4. Council of Europe Istanbul Convention ratified Baseline (2011): Convention signed Target (2020): Convention ratified by Parliament		3.4. More members of the Roma community are able to realize their rights, enjoy improved living standards and opportunities, and overcome social exclusion Indicator 3.4.1: Number of Roma people benefiting from improved provision of social services Baseline (2016): To be determined; Target (2020): To be determined Means of verification: UNDP	
			3.5. Institutions have improved capacities to develop and implement inclusive, evidence-based social policies and services that reduce inequality and social exclusion Indicator 3.5.1: Integrated gender-responsive case management system developed and applied Baseline (2015): integrated case management not applied Target (2020): case management system designed and implemented Means of verification: MLSP reports Indicator 3.5.2: Integrated gender-responsive case management system piloted in at least one location Baseline (2015): Case management system not in use Target (2020): Case management piloted in at least one location Means of verification: MLSP reports	
			3.6. Legislation on gender-based violence and discrimination is aligned with international standards, and institutions have enhanced capacities for effective prevention of discrimination and gender-based violence and protection of survivors Indicator 3.6.1: Number of key laws (criminal code, law on police, law on social protection) amended to conform with Istanbul Convention and the Convention on the Elimination of All Forms of Discrimination against Women Baseline (2015): 0; Target (2020): 3 Means of verification: Official Gazette Indicator 3.6.2: Number of victims of gender-based violence who receive services from public institutions and CSOs in compliance with established standards and protocols Baseline: To be determined; Target: To be determined Means of verification: Annual reports from the national coordination body	

National priority: Sustainable use of natural resources is necessary for environmental protection.

PSD outcome 4: By 2020, individuals, the private sector and state institutions base their actions on the principles of sustainable development, and communities are more resilient to disasters and environmental risks.

Strategic plan outcome 1: Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded; and 5: Countries are able to reduce the likelihood of conflict and lower the risk of natural disasters, including from climate change.

4.1. Greenhouse gas (GHG) emissions (CO ₂ eq kT)	Biennial update reports of GHG	4.1. Industries have adopted environmentally friendly standards and technologies	Ministry of Environment and Physical Planning;	Regular 900
Baseline (2012): 12,707.74 Target (2020): 11,309.89	Inventory to the United Nations Framework Convention on Climate Change; National Communication on Climate Change (2018); Annual reports to Energy Community by the Ministry of Economy; annual reports to the European Energy Agency by the Ministry of Environment and Physical Planning	Indicator 4.2.1: Percentage of industrial facilities that have adopted and comply with environmentally friendly standards and norms (A or B environmental permits) Baseline (2014): 70% Target (2018): 90% Means of verification: Cadastre of polluters, Ministry of Environment database 4.2. Public and private actors have improved capacities to implement, monitor and evaluate policies related to environment, climate change and nature protection Indicator 4.3.1: Number of protected area management plans implemented by local governments or CSOs Baseline (2014): 11; Target (2020): 22 Means of verification: National Biodiversity Information System, reports of municipalities and CSOs Indicator 4.3.2: Volume of public and private investment mobilized and leveraged for low-carbon development Baseline (2015): To be determined; Target (2020): 25% cumulative increase	Ministry of Agriculture, Forestry and Water Economy; Crisis Management Centre; Protection and Rescue Directorate; City of Skopje; Municipalities of Resen, Strumica, Radovis, Konce, Novo Selo, Vasilevo and Bosilevo	Other 20,000
4.2. Economic loss from natural hazards and disasters as a share of GDP Baseline (2013): 2.6% Target (2020): 2.1% 4.3. Number of hectares of land that are managed sustainably as protected areas under a conservation, sustainable use or access- and benefits-sharing regime Baseline (2014): 79,433 Target (2020): 120,000	International Disaster Database	 Means of verification: Project database of the Secretariat for European Integration, reports of relevant ministries, local governments, CSOs 4.3. Communities, supported by a strong framework of national policies and infrastructure, are better prepared to prevent and respond to disasters Indicator 4.4.1: Number of municipalities with a local development plan that integrates a hazard and risk assessment Baseline (2014): 0; Target (2018): 8 Means of verification: Local government reports, project reports; surveys 4.4. National capacity to manage lakes and river basins is improved to deliver better water quality and a more balanced use of natural resources Indicator 4.5.1: Reduction of man-made nutrient (phosphorus) loads to water bodies in the Prespa Lake Watershed (tons/year) Baseline (2014): 16; Target (2018): 24 Means of verification: Project reports and evaluations Indicator 4.5.2: Number of hectares of land under improved flood protection in Strumica River basin Baseline: To be determined; Target (2020): 30% increase on baseline Means of verification: Project reports; flood risk management model 		

^{*}Rating scale, where relevant: 1 = Not at all, 2 = to a very partial extent, 3 = to some extent; 4 = to a significant extent; 5 = to full extent.