



**P R O G R A M**  
**O F G O V E R N M E N T**  
2017 - 2020

Based on the results obtained at the early parliamentary elections held on 11 December 2016, the political parties that won majority seats in the Assembly of the Republic of Macedonia agreed to form parliamentary majority in view of creating the new Government of the Republic of Macedonia.

The political parties give full support for formation of the Government of the Republic of Macedonia and mandate it to implement the political commitments enlisted in this

## **PROGRAM OF GOVERNMENT 2017-2020**

The parliamentary majority, unequivocally dedicated to strengthening the unitary character, sovereignty and stability of the Republic of Macedonia, declares its unbinding political will to establish a reform-oriented government focused on Republic of Macedonia's common strategic priorities, accession to NATO and the European Union, and secure prompt and sustainable resolution of the political crisis by allowing for true separation of powers, Rule of Law and the establishment of strong and professional institutions.

The political parties give full support for formation of the Government of the Republic of Macedonia which, fully respecting the Constitution of the Republic of Macedonia and its international obligations, will dedicate itself to unification of all political forces behind a platform for a European and Euro-Atlantic Republic of Macedonia. The Government's political priorities will be embedded in the Priebe Report and the urgent reform priorities defined by the European Union. The parliamentary majority will work with dedication on building good interethnic relations based on the principles of mutual respect and tolerance and the implementation of the Ohrid Framework Agreement.

Our reform agenda integrates the goals shared by all citizens of the Republic of Macedonia – greater well-being for all citizens, economic development, reinstatement of democracy, rule of law and justice, equality of all citizens, efficient institutions, high-quality education and health system as well as improvement of the international reputation and standing of the Republic of Macedonia.

## **Economic growth, new jobs, higher standard**

The Program of the Government of the Republic of Macedonia, 2017-2020 will focus on economic development and increasing the citizens' standard of living.

The Government is strongly dedicated to support of domestic companies, especially small and medium enterprises, which invest and open new jobs. Business climate will be freed of political pressure and repression. Domestic companies will be linked to technological and industrial zones. The Government will pay special attention to increasing economic employment. Approximately 16 thousands new jobs will be added to economy every year through active employment measures.

The Government is dedicated to increasing remuneration levels in all economic areas. By the end of the term, the minimum wage should cover basic life expenses. Wage increase should propel higher economic productivity. Workers' rights will be guaranteed in parallel.

Economic development cannot garner increase in citizens' life standards without equal distribution of wealth. The Government aims at gradual introduction of fair principles in the key economic redistribution mechanisms – tax and social protection systems. Tax and social transfer changes will be introduced in conjunction with the improvement of the institutions' effectiveness.

The first step towards improvement of institutional effectiveness will be to provide full fiscal transparency. It will be the key priority in the first year of the Government mandate. Additionally, fiscal transparency will give the public clear insight into the true state of public finances.

## **Fair taxation**

The Government aims at providing more fairness in the taxation system in the next four years by correcting the unfair distribution of income and societal wealth. Modifications in the taxation system will be introduced in conjunction with the provision of greater transparency of public spending of citizens' money through the national budget. We will implement the following key measures:

- Introduce a fairer personal income tax with two rates (10% and 18%) which will also include personal income tax returns for citizens earning very low monthly salaries. The existing 10% rate will remain in vigor for most of the citizens, while the additional 18% rate will be calculated only to additional incomes earned by highest-earning persons.
- Abrogation of the maximum top-level salary contributions
- Introduce the possibility for a 0.1 percentage point increase of property tax levels for resident and non-resident real estate market valued at over 400,000 EUR. Introduce fairer taxation for multiple real estate ownership.
- Increase the excise duty rate for luxury vehicles over 40,000 EUR.

The Government of the Republic of Macedonia will introduce a new “more money to the citizens” system, guaranteeing 15% VAT returns to citizens, with the exception of the taxes paid upon the purchase of luxury goods. The system will integrate checks and limitations, so to avoid misuse and additional stratification.

## **New jobs and higher wages**

The Government's key objectives in the labor sphere are private sector employment and creation of 64,000 new jobs by active measures for employment, increasing the minimum wage to 16,000 Denars (by the end of the term) and greater protection of labor rights. Part of the measures will stimulate higher remunerations across the labor market, with the final aim to increase the medium net wage to 30,000 Denars. The Government pledges to implement the following key measures and activities:

- Increase the minimum wage to 12,000 Denars in the first year of the term. This measure will be applied to the three least-remunerated sectors as well. The Government will introduce budgetary financial support for least-remunerated sectors in view of gradual accommodation of this obligation.
- Allocate 22 million Euro to active employment measures. Efforts to increase these funds will be made on yearly basis with the aim of reaching 33 million Euro by the end of the term.
- Stimulate the opening of better-paid jobs. The Government will introduce new lines of support for small and medium enterprises for employment of unemployed persons, aimed at opening new jobs, injection of liquidity in enterprises and filling the Pension's Fund gaps. Support will be provided to three different categories of unemployed persons, implying financial support from 72,000 to 162,000 Denars (paid in advance to the enterprise) provided that for 12 months the employee is paid gross salary higher than the medium wage paid in the previous year.
- Introduce the "Youth Guarantee" project to ensure that all young people receive a good quality offer of employment, continued education, apprenticeship or job traineeship within a period of four months of becoming unemployed or leaving formal education.
- Adopt a new Labor Code aimed at securing true labor protection. It will establish a Register for overtime working hours at the Public Revenue Office, collective agreements will become obligatory for all legal entities with over 20 employees, while trade unions will be obliged to register only in the Central Registry.
- Adopt Law on Social Entrepreneurship to ease the access of socially vulnerable groups of citizens to the labor market. Social enterprises will give vulnerable groups the possibility to run the enterprises, bring independent decisions on managing the revenues and their reinvestment in social purposes.
- Legally limit the duration of Temporary Employment Contracts, linking them with the job position, instead of the performer. In cases of newly opened positions, Temporary Employment Contracts will have to be transformed in full-time employment within 6 months.
- Adopt legal guarantees whereby all uninterrupted employment lasting more than 9 months and continuing into the next calendar year (seasonal work) will be transformed in full-time employment.

- The amount and number of severance pay given to workers in cases of redundancy will be increased by 20%.
- Introduce 2-3 years of employment bans in cases of redundancy. Should the employer need to employ a person for equal or similar work, he/she will be obliged to first contact the person previously laid off because of redundancy.
- Adopt legal guarantees to protect employees in cases of employer insolvencies.
- Gender mainstream collective bargaining on all levels in view of empowering and protecting women workers.
- Guarantee the right to reinstatement after maternity leave and maintaining the same position for at least a year
- Improve labor rights by introducing additional protection of pregnant workers
- Introduce legal grounds for joint parental leave in the first 1-3 months (at the end of the 3rd month, the mother or father continues until the end of the parental leave). In cases of twin/triple births, (joint) parental leave lasts 3-6 months (after which, the mother or father continues until the end of the parental leave). In cases of birth of a second or third child, the (joint) parental leave lasts 3-6 months (with expiration of 3-6 months, the mother or father continues until the end of the parental leave).

## Support for domestic enterprises

One of the Government priorities will be development of domestic enterprises, primarily small and medium enterprises. It will create vibrant and predictable business climate, free of political pressure and repressions. Special attention will be directed to linking domestic enterprises with foreign companies operating in the technological and industrial zones. Our goal is to secure a 5% average growth rate of the economy over our 4-year term.

In this regards, the Government will increase state support of entrepreneurship stimulating growth of production of domestic enterprises to 20 million EUR in the first year of the term, hoping to reach 50 million EUR by the last year of the term. These funds will be supplemented by foreign credit lines.

Domestic enterprises have been challenged by problems of unsettled state obligations on grounds of invoices and VAT returns. Business chamber estimates of debt levels are frightening, confirming that the Macedonian economy is in dire condition. In the first 100 days, the Government will publicly reveal all accumulated state arrears. It will immediately put forth a detailed plan for payment of arrears with clear deadlines. The Government will also promote policies for timely payment of arrears. Fiscal discipline from enterprises and citizens cannot be expected if the State fails to abide by it.

The Government will promote a favorable business climate by supporting policies of cooperation with the business sector, non-discrimination, increased efficiency and transparency of institutions and full respect of rule of law. Among else, it implies:

- Introduction of regular communication channels between the business community and the Government. The Cabinet and the business community will regularly communicate and consult before the amendment and adoption of new legislation. Systemic and open dialogue with the business community will imply comprehensive use of the National Electronic Register of Regulations (ENER). Additionally, we will increase the minimum days required for consultations from 20 to 30 days.
- Short parliamentary procedures in adoption of laws create legal insecurity and regulatory burden for enterprises. They will be regulated by exemptions and special limitations. Amendment of laws will include periods for adaptation of enterprises, especially small and medium enterprises. On suggestion of NGOs, trade unions and chambers, the Parliament will prepare consolidated versions of legal texts.
- Reform the regulatory impact assessment mechanism (ex post) with compulsory participation of NGOs and the business community.
- Key institutions involved in and influencing the business climate will start publishing official and legally-binding instructions for implementation of laws pertaining to their area. They will be obliged to publish all relevant laws, by-laws and internal procedures on their webpages.
- Elimination of all unnecessary documents requested by institutions in administrative procedures in view of decreasing additional costs. The total cost of services must be clearly indicated. Institutions will previously consult the business community regarding procedures causing biggest problems or longest procedures.

- Electronic issuing of 50 most commonly used documents, and for each procedure the steps and the designated public officers will be published.

The Government will change its approach to penal policies and insist that all actions must be founded on prevention. Inspection services will not be used as instruments of reprisal or political pressure. The selection of legal entities to undergo control will be done by random choice or following tip-offs based on strong evidence. In view of eliminating or reducing the level of subjectivity in carrying out inspection control, the Government will establish a public registry of inspection controls carried out by state bodies and inspections. Notices for misdemeanors will be handed out first. Only upon repetition will the institutions issue penalties. Penalties will be proportional to the revenues and size of business entities.

The Government will support the development of domestic enterprises, especially small and medium enterprises with the following measures:

- Strengthen the financial and human resources of the Agency for Support of Entrepreneurship in view of better delegation of rights and duties for coordination of SME development policy implementation.
- The Macedonian Development Support Bank (MBPR) will be subjected to re-capitalization in view of increasing its credit support and its capacity to implement sound guarantee schemes.
- Establishment of inter-ministerial council comprised of ministries responsible for small and medium enterprises. The Council will be responsible for coordination of activities geared toward upgrading SMEs
- Providing measures for faster launching of bankruptcy procedures.
- Establishment of a Credit Ombudsman tasked to improve dialogue between small and medium enterprises and credit institutions
- Setting up genuine control of imported goods in view of preventing unfair competition and ending the retailers' practice of issuing pro forma certificate compatibility statements.
- Reduction of the enterprise tax for businesses employing less than 5 people in view of reducing their operational costs and incite new business start-ups.
- Direct consulting support via the Agency for Support of Entrepreneurship of the Republic of Macedonia, which should grow into genuine service of small businesses.
- Establishment of an appropriate guarantee scheme via MBPR for investment and revolving credits for small and medium enterprises.
- Introduction of micro credit lines for support of start-ups and micro companies, as well as credit lines for the "Franchise" and "Mixed investment" projects.
- Setting up an investment fund for investment in start-ups and SMEs with minority state-owned shares, i.e. companies with 51% privately owned capital by interested private entities.

- Introduction of support mechanisms for domestically-owned investment projects amounting to maximum 25% of total investment costs and the gross costs of every newly added job. The support will be directed through two channels: a) direct support ranging between 1,000 EUR and 2,000 EUR in Denars, based on the remuneration levels of every newly added job, in cases where employers pledge to give gross salaries over a 2-year period; and b) profit and property tax exemptions over 5 consecutive years.
- Facilitating the work of small and medium enterprises in rural areas by financing infrastructure projects.

The Government will draft a strategy for development of active tourism due to its high local economic development and new, well-paid job creation potential. To this end, we will implement the Law on Spatial Planning to guarantee the protection of attractive natural resources necessary for this branch of tourism; support clean-up activities in tourist sites; regulate property relations and put children camps and mountain houses in use.

Entrepreneurial development will be incited by opening Government-sponsored business start-up centers in all larger municipalities. The Government pledges to provide free-of-charge business space for multiple newly-created companies, including the supporting infrastructure and common services (maintenance, archive work, accounting, etc.).

Opportunities for establishing special businesses with minimum capital fund of 1 EUR. These companies will bear specific, clearly-marked signs, so everyone doing business with them will know their capital fund was only 1 EUR.

Firms planning to invest, but hindered due to lack of space, will be given tenure over unused lots of publicly owned land. The number of lots given to a single company will depend on the conditions met by each individual entity (size of investment and number of newly created jobs).

The Government will propose lifting import taxes on equipment intended for new projects engaging workforce in under-developed municipalities, as well as activities piled up in clusters. In addition, it will provide direct financial support for processing of primary agricultural productions. It will stimulate the association of primary producers as well as processing companies investing in facilities and equipment for production of home-grown raw material produce.

The State will support the development of domestic enterprises by launching an appropriate public procurement reform. It will increase their transparency and eliminate pre-arranged tenders for favored companies. Additionally:

- Before opening tenders, public institutions will pre-analyze the existing market. In cases where there are products and services offered by domestic companies that can satisfy their needs, the tender will prefer these products and companies.
- Put an end to the practice of favoring selected companies that undermine competitions. In this light, the Government will ease the basic criterion (annual turnover) as prerequisite for participation, especially as it was applied for eliminating competition.

- Whenever possible, big tenders will be divided in multiple lots available to SMEs, provided it does not undermine the quality of the procurement. Concurrently, the number of lots any given company can apply to will be limited.
- Application of the value for money principle. Lowest bidding prices will no longer be accepted as a rule of the thumb.
- Reduction of the information asymmetry affecting SMEs by simplifying application procedures and fast information flow.

Economic growth depends on investments in R&D and development of new technologies and industries with high return of investments. To this end, the Government will finance at least 10 research projects annually that have been developed by scientific institutions and accepted by chambers of commerce in Macedonia.

We will support value-added services (IT companies, telecommunications, architecture, etc.) by covering 50% of equipment costs necessary for new investment, amounting to a maximum 50,000 EUR. The Government will provide tax relief for all software-and-services-exporting ICT companies and lower the IT profit tax to 5%. These measures should propel new employment, increased foreign account inflow and the set-up of new IT companies.

In cooperation with the Macedonian ICT community, the Government will finance innovative solutions to increase the effectiveness of 1) agricultural, 2) educational and 3) internal affairs policies.

The Government will support the establishment of a technology and development research center in view of determining the advantages of Macedonian small and medium enterprises vis-à-vis their European counterparts, especially in terms of eliminating the lagging segments, such as wrapping, marketing, delivery deadlines, quality levels, consistent management techniques, etc. We will increase the use of technical support foreign aid, as well as all funds available to domestic enterprises for introduction of new technological processes, productivity increase, etc. The Government will provide financial support lines to help companies launch new products and production design, introduce modern production and quality control methods, modern logistics and distribution, as well as attainment of quality and home produce promotion certificates.

The Government will lead active and transparent policies for attracting foreign direct investments. It will stimulate high value-added investments and link them with domestic companies. In addition, the Government will publish a detailed cost-benefit analysis of foreign investments and gains made in the past, especially those benefiting state support.

The Government will provide tax relief to Macedonian expats interested in investing in the country. To this end, it will rely on the funds foreseen in the SME and start-ups investment fund, as well as MBPR's guarantee scheme.

## **Social protection**

The Government's key objective in the social policy area will be to reduce poverty rates to below 16% by 2020. Measures intended to permanently lift people out of poverty will be introduced immediately and special attention will be dedicated to guaranteeing transparency of the system.

The Government will establish a functional, citizen-friendly network of social protection institutions. Some authorities will be transferred to local self-government units as they are closer and better adjusting to citizen needs. The social protection network will include social support services and palliative care for the elderly, nursing, care and inclusion centers, centers for persons with disabilities, housing communities for persons with disabilities over 26 years of age, gender-based violence protection services and protection services for people in need, especially those in social risk.

The Government will set up a system of 8 regional agencies for payment of material support in the social protection system. Additionally, we will introduce family social workers who will be close to the citizens and work on prevention and intervention. The number of families cared after by an individual social worker will be subjected to precise standards and norms in view of guaranteeing high-quality social protection, both for the citizens and social workers.

The Government will settle the problem of former bankrupt firms' employees and provide compensation packages for all employees with at least 15-year work experience (52 years of age in case of women and 55 years of age in case of men).

The Government will propose cuts in executors' fees and fees charged to socially deprived defaulters. Execution will be carried out without charging executor tariffs. All families with monthly revenues lower than the average calculated monthly wage will be exempt from paying the total amount of court tariffs and costs, which cannot reach more than 20% of the value of the dispute, while the interest cumulative cannot be higher than the principal.

The Government's social policy will incorporate the following measures and policies:

- Introduce Minimum Adequate Revenue Program
- Introduce a social debit card – Solidarity
- Legal amendments in view of introducing tenure, instead of property, rights on social housing. Social flats will merge into collective housing managed by the local self-government. Right to tenure will be given to persons within the social protection system and low-income persons, as well as young couples and persons with disabilities who do not owe property.
- Opening of overnight shelters and food corners for homeless persons in cooperation with national and local non-for-profit organizations in all municipalities in need.

With regard to the pensions system, the Government will stabilize the Pension and Disability Insurance Fund, guaranteeing regular and sustainable payment of pensions. Reconciliation of pensions will be done twice a year and the Government will provide

opportunities for early retirement, but up to maximum 5 years ahead of fulfilling the right to retirement by proportional downsizing of the retirement benefits.

The Government will propose the introduction of state social pensions for every person over 65 years of age residing on the territory of the Republic of Macedonia, not fulfilling the conditions for old-age benefits.

We will modernize health and palliative care services for old, feeble and ill persons in view of improving their accessibility and providing a high-quality response to outstanding needs of all men and women. The Government will subsidize accommodation in nursing homes for all low-earning pensioners, persons without family support or individual property.

The Government will initiate the establishment of pensioners' communities and provide organized housing for the elderly in neighborhoods where housing will be provided under favorable costs, easily accessible medical and other services, provision of food produce under preferential cost.

The Government will support single-parent families by providing measures for flexible working hours and deration of certain public utility costs (taxes, public transportation, and kindergarten fees) for single-parent families earning less than the average monthly salary. We will create a State Fund for Child Support and Alimony payment. In case the parent fails or refuses to pay the alimony on time, the Fund will cover the arrears and subsequently charge the parent accordingly. This measure will guarantee timely payment of all alimony to children.

Additionally, we will offer local free-of-charge services to all low-income single-parent families in view of supporting their daily life and well-being.

The Government will introduce a separate program for individual support of children from families registered in the social protection system, low-income families, and families at increased risk. We will also set up a network of professional foster care families with regulated employment contracts with the State.

We will open small regional orphanages for children whose social risk prevents them from being put in foster care. Interventions and treatment will be directed towards building their skills and capacities through specific social inclusion methods.

The Government of the Republic of Macedonia will improve the social protection system of persons with disabilities in an inclusive and consultative process with non-governmental and professional organizations. It will include:

- 50% increase of funds made available to persons with disabilities by the end of the term
- Full implementation of the Law on Social Protection and the provision for automatic transfer of right to special allowance for persons under 26 to right to assistance and care from an outsider
- Persons using special allowance until 18 years of age will be eligible for the right to permanent financial assistance
- AVRМ's funds from the special fund for employment of disabled persons will be spent in a transparent and public manner.

- Reorganization of day-care centers for persons with disabilities. The Government will develop clearly defined standards for the groups, based on inclusion categories, age, and group size. New plans and programs for group activities in the Day Care Centers will be developed, based on program categories and areas. Professional staff standards and technical resources necessities will also be developed.
- Introduce legal guarantees for engagement of special educators for children with disabilities in every kindergarten or school in view of providing adequate support for children and their families.
- Timely refund of pension and health insurance contributions
- Respect employment quotas for persons with disabilities in the public administration, honoring the professional opinions issued by centers for social services calling for priority employment.
- Medical teams will undertake home inspection visits for people who have been diagnosed and applied for mobility, blindness and hearing impairment allowance.
- Granting the right to allowance to all people with severe and extreme intellectual impairment.
- Setting up a system for assessment of special needs of children with disabilities (categorization) based on the International Classification of Functioning. The model will aim at functionally determining the specific characteristics of children with impairment, not according to their disability but their remaining abilities, i.e. their functioning profile and assessment.
- Legal changes extending short working hours for parents of children with disabilities beyond 26 years of age.
- Opening centers for early childhood development for babies and toddlers focused on skills and capacity building in children with certain form of impairment (cerebral palsy, autism, etc.).

The Government will finance opening of overnight shelters and food corners for homeless persons in cooperation with national and local non-for-profit organizations in all municipalities in need. Following the French model, we will draft a law enabling food donation by supermarkets, restaurants, producers and distributors.

## **Republic of Macedonia – member of NATO and the European Union**

Membership in NATO and the European Union are Macedonia's strategic commitments. They imply better living standards, modern legislation, and higher wages, security of the state and its citizens, new investments, free movement. They are a guarantee for private ownership, freedom and independence of the person, legal and economic safety. Membership in NATO and the European Union implies support for policies that will put an end to partisan judiciary and prosecution, biased partisan media and oligarchs.

Our national priority will be to make the Republic of Macedonia a sovereign, valued and prosperous international subject. The Government has a clear vision on how to reach the country's strategic goals: the development of good neighborly relations and integration of the country into the European and Euro-Atlantic structures.

The Government will implement Macedonia's strategic goals by taking concrete steps towards a considerate, realistic, and statesmanlike and professionally led foreign policy. It is the only way towards overcoming challenges and threats to progress and security. These are the only policies that can be real contributing factors for promotion of our strategic interests globally.

The European Commission's last report is fully based on the findings of Reinhardt Priebe's expert team – blurred lines between party and state, all-pervasive organized crime and corruption, and massive violation of fundamental human rights and freedoms.

The Government of the Republic of Macedonia will engage in serious and strong international activity in view of enabling Macedonia to start accession negotiations with the EU by the end of next year. Success in this regard can only be attained by a visible domestic reform agenda. Consequently, our key strategic decisions will be based on the recommendations included in the Priebe Report, the urgent reform priorities and the recommendations listed in the High Level Accession Dialogue with the EU. The Government will launch decisive and indiscriminate fight with organized crime and corruption, fundamental reforms in view of promotion of the rule of law and the establishment of independent institutions which will guarantee equality of all citizens under the Constitution and the laws in the Republic of Macedonia.

The Government of the Republic of Macedonia will send for adoption to the Parliament of the Republic of Macedonia a National Foreign Policy Strategy of the Republic of Macedonia. The Strategy will be drafted in an inclusive process, through consensual support by all stakeholders in the society. Key foreign policy issues will be regularly debated in Parliament and we will try to solicit support across partisan lines.

Based on this strategy, the Government will transform the Republic of Macedonia's involvement in the Berlin Process from passive participant to an active contributor and actively engage in the implementation of its regional networking agenda.

Integration, progress and security are highly dependent on good and productive neighborly relations. The Government of the Republic of Macedonia will impose new dynamics in Macedonia's relations with its neighbors, and insist on constructive cooperation in all spheres on both bilateral and regional level.

The Government will recruit all state potential to reinstate the positive climate and trust in our relations with the EU and US, as well as with our neighbors and make the Republic of Macedonia regional leader again.

Internationally, the Government of the Republic of Macedonia will guarantee every citizen of the Republic of Macedonia the right to enjoy his or her own ethnic, cultural, linguistic, religious, gender or any other identity. It is a vision conformed to all civilization attainments. We will dedicate all our efforts to mirroring these principles in our relations with our neighbors - for the sake of the entire region and Europe as a whole.

Stemming from the Constitution of the Republic of Macedonia, the Government will actively engage in building consensual positions on all matters of state and national interest with all relevant stakeholders in the country. We will actively engage in overcoming the imposed name issue by Greece and will not accept discussion on identity grounds. We will consult the citizens for possible solutions.

The Government will oppose all attempts for changes to the national, linguistic and cultural identity of the Macedonian people or any other ethnic community in the Republic of Macedonia. The Government will focus on regional and good-neighborly cooperation. In view of improving regional progress and stability, we will intensify exchange and cooperation with all our neighbors in all currently-pursued areas through: strengthened participation and influence in regional initiatives; serious and active involvement in infrastructure, energy and telecommunications projects; cross-border development zones in support of the development of Republic of Macedonia's rural, i.e. border areas (by using EU funds); reinvigoration of initiatives for new border crossings to neighboring countries; and promotion of new international and local border-crossings for citizens residing in proximity of borders.

The Government, through the Ministry of Foreign Affairs, will attend to the well-being of the Macedonian national minority living in the neighboring countries. We will restore the support in education, culture and language by providing books, textbooks, teachers, lectors and plays, without interference and full respect for the internal affairs of our neighbors. We will strengthen the ties with our Diaspora by financially supporting Macedonian language classes in Macedonian diplomatic missions in cities that will declare interest. We will reopen the Macedonian language, literature and culture lectures across the world, ignored and forgotten over the years.

We will improve ties with our Diaspora by setting up "virtual consulates" providing all the necessary services and information. Every embassy or consulate will have to be equipped with an easily accessible and efficient Q&A system. In addition, we will reinvigorate the long ignored system of legal counseling for members of the Diaspora, focused on international standards and judgments made by international bodies, especially the European Court of Human Rights.

Following Macedonia's strategic goals and the analysis of current state of affairs, the Government will set up new, politically and financially optimal, and especially efficient diplomatic network. We will strengthen the embassies in countries of strategic importance for the Republic of Macedonia. Selection of diplomatic personnel will be based on full respect of professional and human qualities. Macedonia's foreign policy will be based on clear objectives, well-defined coordination and professional diplomatic network. In the next four years, the Government will devise a plan for acquisition

of premises to meet the most urgent needs of our diplomatic and consular missions abroad.

Our approach is based on the development of a culture of dialogue, debate and full transparency in the process of EU accession. In the first year of the mandate, we will launch a transparent process for nomination of Macedonia's Chief Negotiator, hopefully chosen consensually between government and opposition, who will start preparing and drafting the negotiating positions for Chapters 23 (Judiciary and Fundamental Rights) and 24 (Justice, Freedom and Security).

The implementation of the South East Europe Strategy 2020 will be reintroduced in the government agenda with specifically reserved finances. As part of the Republic of Macedonia's new regional initiatives we will opt for the establishment of Regional Gender Ombudsman promoting gender equality policies in the Western Balkans and the establishment of the Regional Political Academy for political party capacity building hosted by Macedonia and financed through IPA.

The European financial support scheme will be geared towards the general Europeanization of the country. IPA will no longer be perceived as the instrument intended solely for preparing the public administration for negotiations for EU membership, but capacity building of all actors in society. In this sense, funds will have to be made available for municipalities, schools, trade unions, marginalized groups, employers, unemployed persons, small and medium enterprises, civil society organizations, universities and research institutions, and other informal groups of citizens.

The Government will immediately publish a comprehensive report on the exact amount of lost (unused) EU funds, thus soliciting an open process of increased transparency regarding their management and use. In coordination with the European Commission, we will offer instruments for faster and more successful use of EU funds.

We will establish a special team dedicated to use of funds and opportunities provided by the Western Balkans Investment Fund (WBIF) and the Joint Assistance to Support Projects in the European Regions (JASPERS).

The Government will invest in teams working as EU framework consultants by financing their training abroad. They will assist target groups in preparing fiches for European projects – small and medium enterprises for accessing finance under COSME; students, pupils, professors and universities for applying under the Erasmus Plus grant scheme; participation of research centers, universities, enterprises and innovators in the Horizon 2020 program; production houses and media in Media; applications to the EaSi program for social innovations designed by civil society organizations, municipalities and public enterprises; access to the Culture programme for cultural centers, production houses, artists and theaters; Customs for the Customs administration; the Fiscalis programme for the national tax administration; and the EU Civil Protection Mechanism for municipalities and regions.

All entities who will succeed in securing co-financing from other European funds will be supported by other appropriate measures – from application to implementation. In view of unhindered use of European funds, the Government will establish a so-called Development Fund for skills and capacity building of all potential European funds users and matching up funds necessary for co-financing (fundamental challenge when it comes to IPA and other European programmes, such as Horizon, COSME, EaSI, Eras-

mus Plus, Europe for Citizens, Creative industries, Media, etc.). The Fund will be linked with the active employment measures of the Republic of Macedonia, especially in the area of co-financing and the youth guarantee.

The Government will support the so-called voucher system, particularly beneficial for farmers when applying for IPARD resources. Instead of expecting them to draft projects, the Government will earmark funds for consultants supposed to assist this target group. Farmers will receive vouchers to pay consultants, who will be expected to assist them around the clock until the project is completed.

## **Defense policy under NATO auspices**

The defense sector was a front-runner of all reform activities pursued in the Republic of Macedonia in view of attaining the country's strategic goal – membership in NATO. Despite being the initiator and leader in the Adriatic Group, the Republic of Macedonia is the only group member still not in NATO.

Membership in NATO will be reinstated as Macedonia's top priority. NATO has been Macedonia's strategic commitment and a consensual goal of all its citizens. We will remain committed to the fundamental principles of maintaining the country's sovereignty, territorial integrity and unitary character, keeping its stability and security as well as its participation in collective defense systems. Membership in NATO is more than maintaining the country's security and stability. It is the basis and precondition for economic development and unhindered flow of foreign investments.

The Government approach will include serious reforms of the security system and apparatus following NATO's Strategic Concept for Development 2010-2020. The Republic of Macedonia's contribution and participation in NATO, EU and UN missions will remain the highest priority. We will reaffirm the participation of Republic of Macedonia's military potential in NATO operations for prevention and resolution of conflicts around the world. This will make the country a stability factor in Southeastern Europe.

The Government of the Republic of Macedonia will adopt a new approach to financing security and defense. We will focus on development of deployable and sustainable capabilities and interoperability expected of a future NATO member. Following the Long-term Defense Development Plan, we will increase defense spending to 2.3-2.6% of GDP. The amounts will be allocated successively, in accordance with the economic power and progress of the country in the upcoming period. Use of allocated resources will be an imperative, as will the full implementation of the Planning, Programming and Budgeting System (PPBS). We will conform to the originally projected methodology for distribution of resources according to pre-designed budget categories, i.e. 50% for personnel, 30% for operations, training and maintenance and 20% for equipment and modernization of ARM. We will provide the financial framework and necessary resources for satisfying and increasing the costs for our missions abroad in accordance to NATO's "smart defense" concept, NATO's Strategic Concept 2010 and NATO's Summit Wales Recommendations 2014.

The Government will support a small and professional army in view of creating a common, incorporated staff structure between ARM and Ministry of Defense personnel. All changes will be done based on a comprehensive functional analysis in view of guaranteeing efficiency of tasks, duties, functions and responsibilities, the prerequisite for a quality system of civilian control of the Army.

We will dedicate all efforts toward full de-partization of the Army and the Ministry of Defense by setting up an efficient system of human resources management based on professionalization of the personnel. The main pillar in this regard is increasing the standard of employees, motivation and personnel appeal. A key priority in the area of personnel management is the adoption of the long-neglected career development concept, which aims at setting up a pyramidal structure of military personnel.

The Government will offer a precise plan for resolving the professional soldiers' status. Under present legislation, professional soldiers are employed by the Ministry of Defense until they reach 45 years of age. The Government, in cooperation with other state bodies, will provide for their future and needs by redeploying them in other state bodies, public enterprises, public body, local self-government units and the City of Skopje, funds, agencies, bureaus and other legally founded subjects. Employment will be direct, secured without publishing job announcements, on a position that suits their professional skills and qualifications.

The Government will promote a new concept of small and efficient reserve structure – active reserve. This will be an additional option in resolving the professional soldiers' status after they reach the age of 45.

One of our first tasks will be to revise the Long-Term Defense Development Plan 2014-2025, as principal document in implementation of reforms. We will revise the strategic documents for defense sector reforms according to NATO standards and current challenges and needs.

We will revise MoD and ARM's Strategy for global communication and information systems development and proceed with modernization of the optic telecommunication infrastructure, the document management system, the logistic information system, the planning, programming and budgeting system, the computer-based training system and other projects.

We will revise the existing Divesting Plan of inessential MoD and ARM facilities. The process will be based on coordination of MoD resources with all civilian bodies involved in divesting inessential facilities – state bodies, institutions and local self-government bodies.

Under the ARM Modernization and Equipment Project, the Government will invest in the purchase of new helicopters and continued maintenance of existing airplanes, noncombatant motor vehicles, armored cars used by missions abroad and the tactical communication and information system for medium-range infantry battalions deployed in missions abroad.

Professional preparation and training of ARM members – participants in international military missions will remain a top priority, especially concerning their social, health and security wellbeing.

The new housing concept for ARM and MoD personnel will set up and define ARM's new housing policy. We envisage a fully sustainable approach that will satisfy the needs and interests of all ARM operatives both in terms of assisting them in meeting their professional duties and obligations, but also in helping them overcome their housing challenges.

## **Building one society for all**

Certain politicians in the past decided to pursue divisive policies, policies that stirred conflicts and split people along binary lines. These are policies that are stuck in the past, not looking toward the future. Cultural and ethnic differences became instruments for political struggle and abuse. Confrontations increased the gap between different ethnic communities, increased religious intolerance, and stimulated intolerance towards different minority and marginalized groups in the society, such as members of the LGBTI community, oftentimes resulting in outbursts of group or individual violence.

The new Government will pursue policies that will enshrine Macedonia as a civic state of all its citizens: Macedonians, Albanians, Turks, Serbs, Vlach, Roma, Bosniaks and all other communities. We will build a multicultural society based on the principles of greater intercultural communication and the spirit of respect of differences and cultural pluralism. We will work on the reduction of ethnic, social and economic differences between communities and implement projects based on integrative practices and the investment in unbiased state.

We will support language policies that support the needs and interest of all citizens, all ethnic communities and the state as a whole. In this regard, the new Government will propose legal arrangements on the use of languages in view of extending the use of the official language spoken by at least 20% of citizens, i.e. the Albanian language, within the constitutional limits set by Amendment V to the Constitution of the Republic of Macedonia. The law will extend the use of the language, clearly define the obligations of institutions and enable ethnic Albanian citizens to communicate with state institutions in their mother tongue, thus providing means for easier and more effective enjoyment of their constitutional rights. Concurrently, the law will fully guarantee the appropriate use of the Macedonian language and all other languages in official use in certain local self-government units – Turkish, Roma, Serbian, Vlach and Bosniak. In this regard, the Government will establish a national language center and a corresponding inspectorate.

Our common goal is to build a tolerant society. Consequently, we will support programs which, together with measures pursued in the education, social policy and cultural spheres, will liberate young people from the ethnic chains and existing prejudices and open up channels of communication based on mutual respect. Dialogue is the only road to mutual understanding. Mutual understanding is the only thing that can save us from ethnic misunderstanding. Successful societies are built on the principles of respect and care of both one's own culture and the cultural values of other communities.

The values of our mutual society will be built in kindergartens and schools. Consequently, we will introduce elements of multicultural learning for all children across the country, based on projects and activities enhancing their understanding of freedom, tolerance and coexistence. We will implement worldwide best practices in intercultural education. We will stimulate projects of multicultural playing and inter-linguistic communication in higher levels of education.

We will not create ethnocentric cultures, closed within the four walls of one's ethnic belonging. We envisage a country where cultures coexist, cooperate, build on each other and mutually reinforce each other. This is the strength of our culture. In order to preserve this heritage, we will develop solutions which will proportionally support and enhance

other languages, cultures and institutions, we will support intercultural projects and multilingual practices.

We will introduce regular practices for substantive and symbolic political support for building a common society. High government representatives of different ethnic background will be present in mixed ethnic communities and openly and actively discuss the importance of building a common, tolerant and multiethnic society.

The Government will promote policies that affirm and improve the cultural specificities of all communities. We will strengthen the capacities of the Bureau for Cultural Affirmation and Progress of Communities (human, infrastructural, financial and political resources) so it can work in full capacity and become an indispensable factor in Macedonia's cultural system. Cultural institutions promoting the culture of smaller communities will also be supported.

We will stimulate regular debates programs on the public broadcasting service, MRTV. We will encourage media contents that will include representatives of all communities in the country in view of inciting public dialogue on all burning issues and problems. We will seek to incorporate all creative and political potential located in civil society organizations.

The Government will insist that only an integrated Republic of Macedonia unifying a plentitude of diversities can be stable and prosperous country of all its citizens.

## **Responsible government and control of government**

The package of reforms necessary for EU and NATO can be accomplished only in terms of responsible, transparent and accountable government, restraining from abuse of state resources for personal or party needs. For this purpose in the first six months, the Government of Republic of Macedonia will adopt a Strategy for good governance which will ensure increased transparency of all state institutions, obligatory consultations with citizens, business associations and civil society organizations and strengthened control of the Assembly.

We will pay particular attention to full transparency of public spending. Dedicated work should help Macedonia move up the Open Budget Index and increase its budget transparency from 35 to 65.

In order to increase transparency, the Government of Republic of Macedonia will fully implement the concept of open government according to the Open Government Partnership. Therefore, the Government will:

- propose legislative changes to halve the legal deadline for responding to requests for access to public information from 30 to 15 days;
- introduce the principle of so-called „Active transparency“ for institutions, which means disclosure (even when not required or requested) their programs (and draft programs), strategies, opinions and studies, data of organization and operating costs, decisions, acts and measures that affect the life and work of citizens and companies;
- provide process of guaranteed consultation with civil society organizations, chambers of commerce, trade unions and other stakeholders in the areas of work of government, when making new laws and changes to existing laws;
- increase by 10% annually the number of institutions which follow the recommendations for Open Data Approach;
- conduct a population census according to international criteria and standards. The data will provide state institutions, academic world and the civil sector with real analysis and creation of real policies in every sphere;
- propose to Parliament formation of a „Fiscal Council“ as an independent body, composed of prominent experts in finance or economics, whose mission will be to assess the credibility of fiscal policy and ensure its transparency and predictability;
- annually renew the three-year fiscal strategy (under the principle of rollover) and publish it at the beginning of the year, after the priorities of the Government for the next fiscal year have been established. This strategy will be discussed and voted in the Parliament of Republic of Macedonia, to encourage debate on fiscal and budgetary aggregates, and represent the basis of expectations by economic agents.
- public debt will be published fully and regularly without exceptions and political calculations. We will floor amendments to the Criminal Code in the Assembly according to which public debt concealment will constitute a crime;

- publish data for guaranteed, and for not guaranteed debt of public enterprises and municipalities;
- table motions that will oblige budget users, funds and public enterprises to submit to the Ministry of Finance detailed monthly reports on the disbursement of allocated budgetary funds, together with commitments made, including unsettled ones. These data will be uploaded on a search platform and published on the website of the Ministry of Finance. With that, citizens will become active players in the oversight of possible abuse, because every citizen from his/her home computer, will be able to see in detail where money from his/her taxes and contributions has been spent;
- propose legislative changes to introduce an obligation, so final accounts of all budget users and public enterprises will be posted online;
- propose legislative changes so all offshore companies that invest in Macedonia will be obliged to publish their true owners and submit the entire company history;
- publish detailed monthly lists of all public servants and agricultural subsidies' users in order to promote citizen control over administration and prevent abuse of power.

## **Access to justice**

The Government of the Republic of Macedonia will work on creating conditions for independent, depoliticized and efficient judiciary in order for justice to be accessible to everyone. For this purpose, we will propose amendments to laws requiring absolute majority in the Parliament, and for areas where a 2/3 majority is required, we will start a dialogue in order to achieve a wider consensus on reforms in Parliament.

The Government of the Republic of Macedonia will provide all institutional, material and general resources necessary for the work of the Special Public Prosecutor's Office which is faced with the huge responsibility for clean up of the wiretapping scandal and fight against corruption, crime and abuse of power. The Government will immediately suggest continuation of the term in which SPO will be able to raise charges as well as witness protection in the cases that are under its authority, thus enabling quality investigations, criminal responsibility for all abuses of power and efficient functioning of the law.

The Government of the Republic of Macedonia will propose legislative changes in order to:

- increase the transparency of the Judicial Council, its professionalism, independence and diligence;
- reform the Academy for Judges and Public Prosecutors;
- abrogate the Law on estimating the type and determining the severity of penalties due to its embedded paradoxes and unsustainable solutions;
- reduce court taxes since citizens of the Republic of Macedonia have often-times foregone their right to judicial protection due to high court expenses. In court proceedings where the State is accused of violating individual rights and liberties, court taxes will be levied only at the end of the process, should the Court rule there has been no violation;
- adopt new Law on Court Staff in view of improving their status and working conditions;
- reduce the duties paid by citizens to notaries and executioners in accordance with the Law on Notaries and Law on Executioners.

The Government will make justice accessible to all. It pledges it will provide genuine free legal aid to vulnerable citizens by increasing the capacity of the Ministry of Justice and integrate all associations providing legal aid into one integrated system.

The Government of the Republic of Macedonia will open a comprehensive dialogue in the Parliament in order to provide wider support and majority for:

- setting up a specialized department in the Criminal Court for handling cases in the jurisdiction of the Special Public Prosecution;
- initiating constitutional reforms of the Court Council, as well as amendments to the Law on Courts in view of introducing clear criteria for selection, promotion and dismissal of judges. We believe that the quality and efficiency of judges will be measured objectively, according to the number of solved cases, number

of verdicts appealed and number of verdicts confirmed, reasons for repealing verdicts and duration of court proceedings. In addition, criteria for assessment of quality of judges will be directed towards assessing the key skills of the profession, such as legal logic, organizational skills, participation in training, specialization, justification of judgments and similar;

- introducing specialized commercial courts to improve the business environment and guarantee legal security to those who open-up working places;
- fundamental reforms in the Public Prosecution;
- increasing the transparency of administrative courts through compulsory decision-making on main public hearings, as well as introducing obligations for meritorious decisions by the Higher Administrative Court whenever annulment of administrative acts is being sued for the second time.

## Human rights

The Government of the Republic of Macedonia will promote, protect and enhance the respect of human rights in the Republic of Macedonia and provide the institutional capacities for efficient protection and sanctioning of all attempting to violate them. We will put emphasis on reinstating trust in authorities and their obligation to protect human rights and freedoms. One of the most urgent priorities on the Government agenda will be to bring back freedom to the Republic of Macedonia and build a society of free, equal, safe and dignified citizens!

In view of implementing European human rights standards and guaranteeing human rights protection, the Government of the Republic of Macedonia will:

- propose legislative changes so people subjected to human rights violations receive real and not – like until now – symbolic compensation for the violation. This will be the basis for personal responsibility of judges and prosecutors, who had participated in violations of the law.
- open debates on constitutional changes and seek support for constitutional limit of the duration of detention as well as for strengthening legal basis and mechanisms for control of the merits of deprivation from freedom and the use of various detention measures.
- propose new legal framework which will include European standards for protection of presumption of innocence and penalties in accordance with European standards in case of violation of this right.
- propose legal amendments for reform of the Commission for Protection from discrimination, which will become independent, expert body with increased competences, composed of people, who are truly dedicated to human rights protection.
- solicit wider support for amendment of the Law on Communications Surveillance, so motions for oversight of communications are not raised by any given police officer; decrease the period of duration in which time of secrecy of communications is imposed. Limiting the right to secrecy of communications must be strictly controlled and imposed only when necessary for collecting data for the purposes of oversight.
- propose amendments to the Police Act in order to precisely delineate the methods for operating control, the maximum period of monitoring people and introduction of other guarantees to limit arbitrary police behavior.
- suggest changes to the Law on civil responsibility for libel and defamation and lower the damage fees issued in cases of libel or defamation in the Republic of Macedonia.
- improve conditions in penal - correctional facilities in order to prevent torture, inhuman and degrading treatment. We will introduce complete control over police authorities in these facilities in order to remove cases of improper treatment and excessive use of force by police officers in these institutions. We will also introduce systematic training of prison officials as well as procedures for detailed review of all complaints citing cases of violence and use of exces-

sive. In this light, we will strengthen the role of the Ombudsman as a preventive mechanism for protection of torture, inhuman and degrading treatment. Additionally we will improve the conditions in penal – correctional institutions, especially those connected to health care protection and dignified treatment.

- table amendments to the Law on Referenda and other forms of direct expression of the will of citizens. The change will set precise terms for all actions carried out by state authorities with jurisdiction over this citizen right as well as upgrade certain provisions that caused problems in practice and were abused by the Government to disable and discourage citizens from using direct democracy mechanisms.
- propose amendments to laws guaranteeing freedom of assembly and defining clear and precise police authority.

The Government of the Republic of Macedonia will promote gender equality policies and work on women empowerment and participation in all spheres of political, economic and public life. In this light, we will set up a separate government body for gender equality responsible for gender mainstreaming in both policy- and budget-making.

The Government will insist on education, media and cultural reforms that will overcome existing gender stereotypes and stimulate greater opportunities for girls and women in the country.

The Government will push for ratification of the Council of Europe convention on preventing and combating violence against women and domestic violence of 2011 (Istanbul Convention) and, accordingly, establish a network of standardized institutions guaranteeing the minimum package of services for protection of domestic violence victims. We will also propose a new Law on gender-based violence and amendments to the Criminal Code by introducing provisions for all forms of gender based violence.

The Government will introduce programs for assistance and empowerment of women entrepreneurs, especially those residing in rural areas.

## **Professional police – security for all citizens**

The Government of Republic of Macedonia will build police force, which will protect citizens and prosecute crime. Only such police can guarantee security and rule of law. The police will be free of party influence and guarantee impartial implementation of laws. We will introduce mechanisms for improving internal and external control of police forces and security services. We will strengthen parliamentary oversight and establish a police Ombudsman with authority to launch independent investigations into possible abuse of police authority and violation of human rights and freedoms. The recommendations of The Priebe Report will be fully implemented without delay.

The Government will work zealously on de-partization of the police forces and fight against corruption; unbiased and indiscriminate implementation of laws; effective fight against corruption; and transparency and accountability in all police matters.

To this aim, the Government will reintroduce the neighborhood cop on every street and neighborhood. He/she will be available around the clock for all citizen needs. Restoring citizen trust in the police is a prerequisite for public safety.

We will reinstate the career development system in Mol, fully respecting all rules and procedures for career advancement and deployment of employees, and paying special attention to the professional capacity of all Mol employees.

The Government will promote mechanisms for monitoring police behavior in cases of direct or indirect involvement of police forces in legally inadmissible operations. Equality before the law must be respected, as it is the only guarantee for public safety. Police actions must be geared toward protection, not threat. Consequently, we will strengthen the independence and capacities of Mol's Sector for Internal Control and Professional Standards and introduce new provisions in the appointment of the assistant minister for internal control and professional standards based on criteria guaranteeing independence and impartiality in professional investigations.

The Government will dedicate to full solution of the Kumanovo events from May 2015 and reveal the instigators and the background of the entire case. We will also request international support in the investigation for providing all relevant information, but also for securing complete trust of citizens in the results of the investigation. At the same time the line ministry will give full logistic support to the prosecutor and juridical instances in opening and investigating the procedures for the cases „Sopot”, “Brodec”, the death of Martin Neshkovski and Nikola Mladenov and “Monstrum”.

The Government of the Republic of Macedonia will evaluate the implementation of the collective agreement of Mol employees and the respect of labor legislation. In case of outstanding shortcomings, weaknesses and inconsistencies we will launch social dialogue for improvement of the collective agreement in view of better protection of police officers' rights. We will guarantee free trade union organization and freedom of association in trade unions. Quality of life of Mol employees will be improved by their deployment in their domicile places. In this light, travel and logging costs so far borne by police officers stationed outside their domicile will be reduced. Should exceptional circumstances arise and a police officer is deployed outside his/her place of residence, the Ministry will compensate all travel and logging costs. The Government will adjust the base salary of Mol employees and fix all benefits, bonuses

and other potential compensations in accordance with Mol's collective agreement and the Labor Act.

One of the key reform activities will be in the Administration for Security and Intelligence. Priebe's recommendations and the use of European experiences will be key orientations in this process. The Government will fully support parliamentary oversight over this Administration.

The Government will strengthen the institutional and personnel capacities of Mol's Organized Crime Department and all cooperating institutions. We will establish a fully operational National Coordination Center for fight against organized crime and work toward full implementation of legislation for indemnification of victims of organized crime.

The Government will fulfill its duties with regards to full implementation of the Law on Criminal Procedure regarding human resources, organization, equipment and training of agents and prosecutors, as well as the establishment of investigation centers and court police. Full and appropriate implementation of the Law will guarantee professional and independent investigation, removing doubts of police biasness in politically motivated cases.

We will invest in the institutional capacities of state bodies dealing with illegal migration and human trafficking and provide sustainability and functionality to the Center for protection of human trafficking victims.

The Government will earmark funds for renovation of police stations, particularly those protecting state borders. In cooperation with neighboring countries and European states and with support of EU and NATO member states, we will invest in efficient implementation of the integrated border management system.

## **Free Media**

The new Government of the Republic of Macedonia is committed to creating media environment for fair and objective information of citizens, because only truly informed citizens can bring informed decisions about their country's future.

The Government will promote reforms in the media landscape following the recommendations made by the civil society sector at the "Urgent Reform Priorities Recommendations" Conference. All amendment procedures will be transparent and inclusive to all relevant stakeholders in the area. Our intention is to provide printed and electronic media with all the necessary preconditions for freedom of expression and evidence-based reporting, articulation of needs and media development. Broadcasters will receive an equal treatment in view of developing healthy competition among different media outlets.

Regulatory bodies are key to the reform. We will propose a model mirroring similar legislative arrangements in EU member states, especially the British OFCOM. In cooperation with the civil society, we will choose the best, most experienced, impartial and respected professionals to head these bodies.

The Government will recommend abrogation of the broadcasting tax. MRT will no longer be financed by compulsory tax levied for the citizens. It will be financed through a hybrid model of national budget resources, cable operator proceeds and profits made by selling MRT-produced contents. Additionally, we will propose legislative changes that should transform MRT from a partisan bulletin to a professional service of all citizens and identity pillar of the Republic of Macedonia.

The Government will put an end to the allocation of budget funds to media. Government advertisements will be free and intended only for projects of public interest. We will suggest amendments that will limit political party advertising only to political campaigning.

The Government of the Republic of Macedonia will reassess the legislation regulating media concentration and media ownership in view of securing higher standards for support of democratic development and reduction of broadcasting licensing costs.

## **Institutions in service of the citizens**

### **Education for the new time**

The Government of the Republic of Macedonia will develop an integrated educational system that will effect increase of the economic growth, as well as labor productivity and it will increase the chances of youth for quality working posts. Our goal is for the system to provide greater societal integration in ethnical, regional, social and cultural sense, to encourage critical thinking and active citizenship.

The last results of PISA testing of the students in the Republic of Macedonia show that we need urgent and thorough reforms of the education. That reform will be preceded by a broad public debate in which all entities in the area of education, civil organizations and professional associations will take part. The concept that will come out of that all-inclusive debate will start with its implementation in 2018. Making benefit of the others' productive experiences and good practices, we will build our own concept of education, appropriate to our needs and abilities, this respecting the European standards. We will give full support to the teaching staff and we will defend the honor, dignity and autonomy of the teachers' profession. The teachers in Macedonia deserve that support because without motivated teachers there are no successful educational changes.

The Government will lead a policy for rationalization of curricula and decrease of the overload of the students in the primary and secondary education. We will focus on mathematical and linguistic skills and courses, which are important for development of the key competences of children. The capital investments in the education, as well as engagement of the teaching staff will be dictated by the need for accessible and quality education for all children. Those investments should help in achievement of the goal for average students per class to be 25 students.

The Government will respect the autonomy of the university and dignity of professors and thus, the state universities will be fully responsible for the functioning of the high education according to the constitutional and legal provisions. The Government will propose new way of managing the university, which will lead to a more efficient and more transparent university.

Economic growth will also be accelerated with investments in science. The Government will establish state fund for research and development and thus, the present budgetary financing which is minimal (0, 2 of GDP – fifteen times less than the recommendation of the Europe Strategy 2020) will be increased for 50% in the first budget with that aim Macedonia to set aside between 1% and 1.5 % of GDP for research and development at the end of the mandate.

The Government will propose annulment of the external testing as a project, which created great revolt by the teachers, and it created annoyance and discontent of the students and their parents. External testing degrades all the efforts and labor of the teachers and students in the course of the entire scholar year, and it did not lead to increased quality. We will introduce evaluation and testing of the students, but without additional input of grades in their final certificates and without sanctions for the teachers. Valuation of the acquired knowledge will be made continuously. Those schools that will show bad results, they will be given additional assistance and support for improvement of the teaching.

The present coverage of the children from 0-6 years in pre-school education, in average is just 23%, whereas with the smaller ethnic communities it is less than 10%. That is unsatisfactory and it will have negative impact for the future development of the Republic of Macedonia. The Government will co-finance every increase of the capacities of the state kindergartens in the whole country. Our goal is for percentage of children in the pre-school education to be increased for 50% in the course of 4 years. The Government will prepare a precise plan for enlargement of the kindergartens net throughout Macedonia. With the investment, we will secure reconstruction and building of new kindergartens in many urban and rural areas, among them Struga, Gjorce Petrov, Sopsishte, Centar, Aerodrom, Tetovo, Tearce, Gostivar, Lozovo, Karbinici, Chair, Shuto Orizari and others.

In order to prepare children for entrance into 9-year primary education, the Government will introduce compulsory one-year pre-school education as an integration measure. This will contribute for making children that are coming from different social environments equal, as well as for start of educational process elements that vanished from our educational system in the past years. Children should have equal access to education, as it is the key for their further success in life. This step will be fully free of charge for children in municipalities that are prone to population decrease and have unfavorable economic development.

The system of primary education in the first 5 years will only be with descriptive grading. Only afterwards, (the following 4 years of primary school) there will be numerical grading. Hence, the pupils and the teachers will be devoted to the quality of knowledge and not to racing grades.

The Government will offer high school education that last two, three or four years: we will keep the classical gymnasium education and the four-year vocational education, but we will also introduce possibility for completion after the second and third year of vocational education. The change will be such that the first staff will join the labor market after finishing two or three years of vocational education, on their age of 17. Namely, those that want to join the labor market should not be kept in the educational process, as the issue is about young people that show weak results in the higher level of education. To those young people we will provide fast access to the economy and time to mature and plan its own business career with the possibility for later finishing higher education.

Instead of policy of sanctions, the Government will promote policy of rewards and stimulations. The employees in the best 5% primary and 10% high schools, as well as the teachers, whose pupils will achieve reward on municipal and state competitions, will receive 20% bigger salary in the following 12 months. The schools that will be in the upper 10% according to the results achieved with their own educational quality will be granted the right to mark additional points on the final certificates, as schools with above-average results.

Apart from compulsory courses, we will introduce in schools extracurricular activities for greater creativity. We will release the teachers from administrative obligations, but we will demand from them to work with young people on development of their talents.

The Government will stimulate strengthening of the school teams with professionals from different profiles: educators, psychologists, and teachers for disabled, sociologists, speech therapists, social workers and medical professionals (where there is need for them).

The Bureau for Development of Education will be restructured and it will develop into Institute for Development of Education. This will be a state educational “think-tank” in the framework of which several sectors will work and they will continuously design research in the area of education with the aim to improve the quality of educational system.

The Government will establish Scientific – Research Center for talented pupils in which they will be able to acquire additional knowledge, to prepare for state and international competitions and to start more serious research work.

In a period of one year, the state commissions composed of university professors and supported by the Ministry of Education and Science, will evaluate all textbooks for primary and secondary education and they will set clear rules that must be respected. Those textbooks that have fundamental errors in matter and which are unsuitable for the age of the pupils will be withdrawn from usage. Concomitantly, in the curriculum we will conduct release of unnecessary and harmful content, in particular those that incite aggression, intolerance, hate and discrimination.

Greatest part of the textbooks and other means will be accessible in electronic form. For this measure the Government will stimulate: domestic authors, audio-video production, production of educational and scientific-popular shows as school materials with content and subject matters from the curriculum. We will encourage national televisions to devote time for broadcasting of these programs which will be aligned with the educational curriculum. Implementation of this measure will create equal opportunities for quality education in all parts of the country.

The Government will initiate reform and restructuring of the vocational high-school education in cooperation with the private sector. In this way, the companies may participate, in programming and financially, in this level and kind of education. Hence, the vocational schools will become more attractive for the pupils, in particular with the possibility for direct employment after completion of this kind and level of education. Moreover, we will promote mechanisms and instruments with the aim of which the employers will be motivated to cooperate, to invest and to participate in the activities of education and training. In that regard, the measure for relief of profit tax up to 30% for investments in the area of education is also foreseen.

In the whole country, generally, the mismatch between the market demands and the supply of skilled labor force is obvious. With the preparation of the National Framework of Qualifications, we will enable connection of the educational programs that are being offered by the high – education institutions with the economy and the labor market.

In the past period, the university was intentionally put on the margins of the society, and the professors were being silenced. With deregulation of the high education, the Government will secure the constitutionally guaranteed autonomy, academic freedom, dignity and the reputation of the university.

We will give back the autonomy to the university, not only because the professors should enjoy more privileges, but because of the fact that the progressive societal changes and libertine ideas derive from the university; the present knowledge is being questioned there and also transferred, and moreover new one is being created. Therefore, our imperative will be investment in science and academic work. The Government will propose new manner of financing and managing the universities. The Law on High Education will go through full revision with the possibility of adoption of a new law on high education following a broad debate. The draconian punitive provisions that are being used at the moment for threatening of the university staff and limiting the university autonomy will be repealed.

Provision of quality in the higher education will be a top priority. In a partnership with the academic community, the system of university accreditation and evaluation will be reviewed, according to the European standards and directions for quality provision, with particular attention to the regulated professions and the professional high education. Through these standards, the quality of the dispersed studies and the private universities will be reassessed, as well as their socio-economic justification and need.

Negligence for the quality of the high education has led to a hyper-production of diplomas without competitive knowledge and skills. Results of the research show prolonged education, inappropriately designed teaching process and average quality of studies. Our obligation is to provide for full support of the universities and the faculties so that the abuses of students and parents come to an end.

The Government will enable legal and operational independence of the Board for Accreditation and Evaluation, as basic preconditions for fulfillment of the criteria for attaining the status of full member of ENQA (European Association for Quality Assurance in Higher Education) and EQAR (European Quality Assurance Register for Higher Education).

Universities must be returned to the professors and the students, and they should not be used for political or party influence in implementation of their teaching, scientific and staff policy. It is time the state universities are truly reformed, not through centralization of the activities and the functions, but through more democratic and more transparent management and giving more “power” to those that are directly affected in the process of higher education: professors, their originating institutions and the students. The authorizations of the rectors, the deans and the directors have to be susceptible to review, and not be concentrated and executive as they are at present.

The best-graduated students will be given opportunity, under mentorship of more experienced professors, to volunteer as teaching staff in primary and secondary education in a period of 1-2 years. The best students must be employed and their stay in Macedonia must be stimulated. This will contribute to raising the quality of the teaching process, as well as rejuvenating the teaching staff.

The Government will support again opening of lectureship for Macedonian language in foreign universities in other countries, in particular EU member states. Greater care will be taken for appropriate use of mother tongue by all actors that have public influence (media, telecommunication operators, state bodies and institutions) with particular accent to proper usage of the language starting from the youngest population in the beginning of the educational process.

The Government will start construction of a student city in Skopje with fully new modern architectural and horticultural solutions, as well as functional contents: gyms, reading rooms, libraries, restaurants, cinemas and fitness centers. In addition, the Government will finish the construction of the university complex “Mother Theresa”. Additionally, the Government will build a new students building in Avtokomanda with over 700 beds through public – private partnership. In Bitola, Stip and Tetovo, the cities where state universities have their seats, we will build university campuses, through reconstruction and preadaptation of the present facilities, completion of appropriate new infrastructural contents and increase of the capacities of the present dormitories.

Changes in education must go in parallel with improvement of physical conditions where our children study. The Government, in cooperation with the local government units, will propose solutions to the problems of basic infrastructure and heating of schools. Every year, the Government with the municipalities will have a debate regarding the investment fund in the infrastructure and it will adopt a decision on priorities that will not be based on party or business interests, but on the interests of the pupils and of the teachers in the Republic of Macedonia. We will build new high schools in the municipalities of Tetovo, Kumanovo, Aerodrom and Novo Selo.

The Government will introduce the system of lifetime learning according to the European standards, partly with the benefit of the European funds and programs which target this exact goal. With this concept, we will endeavor in building society which will offer equal opportunities for access to quality education for all people, in the course of entire lifetime. Thus, one will enable completion of qualification, requalification in the working lifetime of citizens, ability for greater creativity, opening of new businesses, as well as decrease of social pressure.

### **Support for Young People**

The Government will lead youth policy, which will be the core of policies for employment, reforms in the education, health, culture, sports etc. In the Governmental policies, the main accent will be put exactly on the measures that will improve the student life and standard, and that will provide for the youth to easily find first employment. Our priority goal is for the young people themselves to project and build their own future in their own fatherland.

The Government will introduce a special student payment card for using the services in the student campuses, discounts for use of intercity transport, discounts when visiting all state and national institutions, discounts when visiting sports and cultural activities that have national character.

The new policy for students’ scholarships will be through combination of state scholarships and motivation for fiscal relief of companies that will set aside percent of the profit for scholarships. The students with best results will have the advantage, but also those that face greater economic – social problems.

The Government will open a dialogue with the students regarding the means for de-partization and pluralism in the students’ organization that will enable crucial participation of the students in the management bodies of universities and their influence over the questions of their interest. Cooperation with them, the Government will promote regional project for students’ exchange.

The Government will initiate organization of state competitions in around ten different categories and high-school Olympics, following the Youth Student Games, on which most talented high-school students will compete in Olympic disciplines. Hence, we will create successful young talents, we will develop knowledge and sports spirit with the young people, and we will secure socializing among high-school students of all country.

The Government will create conditions for increased number of sport classes in the primary and secondary education with trainings and competitions in almost all sports. Our goal is for all the pupils to be able to socialize and live a healthy life without making it a financial burden for their parents.

### **Quality Healthcare**

The Government of the Republic of Macedonia aims to build accessible, quality and financially long-term sustainable healthcare having the citizens in the center of the healthcare system, and also strengthened sensitivity and responsibility of the individual for his/her own health and the health of the others.

The overload administrative work of the healthcare workers will be decreased, and the care for the patient will be put in attention. The Government will propose annulment of the participation for hospital care. The healthcare system of Macedonia will be connected in an integrated information system, and a net of healthcare institutions will be established which would include full coverage with ambulances, especially in the sub-urban and rural areas.

In order to cease the outflow of medical staff from the public healthcare, the Government will provide for normal working conditions and higher incomes. Providing higher incomes, bigger chances for specialization and improvement of the conditions for their medical practice, we will make an atmosphere because of which more doctors would like to stay in Macedonia.

Good organization of the healthcare activity is the one that gives advantage to preventive and primary healthcare. In the preventive healthcare, the Government will stand and contribute for: preserving and improving the health of the population, in particular the vulnerable groups (children, pregnant women, old people, chronically ill and disabled people); healthcare education in schools with the aim to adopt healthy lifestyles (appropriate nutrition, physical activity, prevention of tobacco, alcohol and psychoactive substances addictions, prevention of sexually transmitted diseases, HIV/AIDS, and problems related to mental health); broad expert debate for the needs and the benefits of vaccination, along with purchase of quality vaccines. The quality, and not the price, will be the key criteria; enhanced control of the current infectious diseases that have importance for the population's health; measures and activities in order to decrease morbidity, disability and the premature mortality caused by the most chronically non-infectious diseases (cardio and cerebrovascular diseases, malignant diseases and the diabetes) through promotion of health with organized activities by the Government, the healthcare institutions, non-governmental organizations and citizens associations; strengthening the capacities of the dental healthcare in the system, actually, and not just on paper, implementation of the programs for early detection of malignant disease in order to have a diagnosis in the early stage.

In the primary healthcare system, the Government will work on achievement of the following goals and policies: provision of personal gynecologist for every woman in Macedonia; patients will be registered in doctor's offices, with determination of maximum number of registered patients per doctor; increase of the per capita points for the personal doctors to 90 denars; introduction of medical map of all existing healthcare establishments in Macedonia and liberalizing the net, that is to take away the minister's right to give a permission to open a doctor's office and the Fund's decision whether to conclude an agreement with a doctor's office which has fulfilled the working conditions according to criteria that applies to everyone; establishment of a fund for financing treatments abroad for children up to 18 years old which will need to urgently adopt the necessary decisions, free from political and ministers' pressure. Thus, the healthcare treatments of children in Macedonia will not depend on the humanity of its citizens.

In the framework of its own healthcare policy, the Government will establish a new independent public healthcare institution for urgent medical assistance, which will unite all services of urgent medical assistance, and it will connect all hospitals in the Republic of Macedonia.

The Government will immediately start the preparations for introduction of a free-of-charge hospital treatment for all healthcare insured people. Moreover, a gradual process for increase of basic income of all healthcare workers will be started. The basic income of all healthcare workers will be doubled by the end of the mandate. By the year 2020 the doctor's income will be at least 100.000 denars, or in precise 1.600 Euros. "My term" will be replaced with a system that guarantees speedy and quality healthcare protection at every level, with precisely determined deadlines and obligations. The new system will dramatically decrease the time for the administrative duties of the doctors.

With regard to healthcare facilities, the Government will work on putting into operation the center for diabetes foot treatment in the framework of the City general hospital "8 September"; opening of the Children's general hospital in Skopje with an Urgent center; opening of the center for on-time diagnosis and treatment of sexually transmitted diseases with multidisciplinary team with the aim to decrease the complications, such as sterility and malignant diseases; start for reconstruction and equipment (including the necessary staff) of the general and clinic hospitals in Macedonia in order to create university clinics in Stip, Tetovo and Bitola, as well as reconstruction and equipment of the appropriate healthcare houses, policlinics and ambulances (Negotino, Chashka, Rankovce, Lipkovo, Arachinovo, Drachevo, Lisiche, Chair and Novaci). The Government will analyze the possibilities to establish a national cardiovascular center with regional ambition and performances.

The Government will secure construction of a new, modern and functional University clinic center in Skopje, which will guarantee high quality healthcare services to the population in the whole country and it will bring back the concept of a single University clinic center in which the clinics will be functionally connected.

In order to increase the number of medical specialists in the public healthcare, specialization of the best 10 students in every generation will be introduced and the quotas for state specializations will be raised. We will give an advantage to the scarce specializations according to the needs of the healthcare institutions and regions. During the specializations, the doctors who follow them privately, will be entitled to the income and insurance guaranteed as minimum wages for a general practice doctor.

Tightly cooperating with the parents' associations of children with rare diseases and special needs, the Government will propose new legal regulations, which will enable the care for this sensitive category to be more comprehensive and more reliable.

Concerning dental medicine, the Government will initiate increase of the payment per capita for the personal dentists and basic free-of-charge dental packages for children up to 18 years of age.

The Government will work on overcoming the situation of lack of prescription medicine after the 15-th day in the month and provision of greater accessibility of medicine. A system will be established which will prevent abuse of prescriptions and fake spending of the monthly quotas for medicine supply. Timely supply of insulin for the diabetes patients on a yearly level will prevent the transfer of the patients from analogue to human insulin. The list of medicine that are burden of FZOM will be reviewed once per year, with input of new medicines on the list and guaranteed presence of all medicine from the essential list of medicines. The Government will stand for having at least one kind of oral contraception to be put on the positive list.

The Government will provide pharmacy subsidies in the rural areas through three-year payment of a defined rent for business premises, subsidies of the healthcare and insurance costs in the period of three years and compensation of travel expenses in case the pharmacist lives at a distance greater than 20 km from the pharmacy.

A new framework will be defined regarding the parallel import, appropriate to its role and function, and in compliance with the model that is applied in the EU countries and a more objective, transparent and internationally confirmed methodology for establishment of single medicine prices in the Republic of Macedonia will be introduced.

In the selection of medicine and public announcement for their supply, representatives of relevant citizens associations in the area of health care protection will join the management bodies, as well as, representatives of the clubs and ill people associations (diabetes, hemodialysis, hypertension, breast cancer, HIV infection), as well as patients with rare diseases, patients from marginal communities and patients with special needs. Hence, exactly the final beneficiaries and selection of quality medicine will control the state and medical aid devices will be secured at the best price.

The Government will urgently prepare an Action plan for financial consolidation of the public healthcare institutions, as well as a proposal for using the private hospitals resources for services that the public healthcare lacks at the moment through conclusion of agreements.

### **Public Administration as a Service to Citizens**

The Government of the Republic of Macedonia will work on creation of competent and efficient, accountable and transparent administration that will provide quality services for the citizens and the business – sector and protect their rights. Applying the principles of fairness and competency in employment and objectivity in advancement and rewarding of public servants, the Government of the Republic of Macedonia will set up an administration free of parties' couplings and devoted to solution of the citizens' and legal entities' problems, thus respecting the principles of legality and impartiality.

The Government of the Republic of Macedonia will propose a new public administra-

tion reform strategy and establish Center for Excellence tasked with undertaking realistic and independent analysis and evaluation of public policies and advancing new methods and approaches for improvement of PA functioning.

The Government of the Republic of Macedonia will be dedicated to accomplishing the fundamental values of the constitutional order – proper and equitable representation of citizens belonging to all ethnic communities in state bodies and other public institutions at all levels, including public enterprises and state-owned companies.

The Government will urgently solve the problem of the civil servants that have been taking salary for long time, but have not been assigned to specific working posts. There is justified discontent on their side, but also on the side of the public. Our public administration will be devoted to working in the service of citizens and will be rewarded for its work for the benefit of the citizens, not for the benefit of a partisan or any other affiliation. Therefore, the Government will immediately publish the data on the number of unassigned civil servants and adopt a plan for their urgent assignment on working posts and professional engagement.

In the framework of public administration reforms, the Government of the Republic of Macedonia foresees the following measures:

- publish and make publicly-accessible a Public Administration Registry to reveal the total number of full – time and temporary employed persons in the public administration. The registry will be publicly accessible and regularly updated. Citizens will have an insight of all the employees in the public administration and in every institution.
- guarantee employment without unnecessary costs. We will table legislative amendments so that the necessary documents for participation in a public employment advertisement are acquired ex officio by the institution that is implementing the procedure. For the same reasons, we will suggest annulment of the test of person (psychological test) as an employment condition.
- introduce flexible working hours in public institutions – starting between 7:30 and 8:30 hrs in the morning and ending between 15:30 and 16:30 hrs in the afternoon, accordingly. Additionally, we will chose an institution for a 6-hour workday pilot project in view of assessing its effects on work productivity.
- institutions with considerable workloads providing key services to citizens will work in two shifts, i.e. until 20:00 hrs, so citizens can obtain timely service.
- start a broad consultation process with all interested parties in order to establish a new grading system in the public sector. The grading will be made according to visible and measurable parameters, such as regularity in work, effectiveness, efficiency, professionalism and competence in conducting working duties.
- increase public sector salaries to match the growth of the Macedonian economy. Public servants will be rewarded for their excellence and dedication to their work.
- revise the existing training system and introduce training for elected and appointed individuals.

- introduce a single electronic system that will connect all public institutions. This electronic system will provide all applications for public services that the state offer to citizens. Thus, each citizen will be granted a unique digital signature in order to use these applications, following best practices in Scandinavian countries. Hence, we will enable simple control of service provision to citizens, and in the same time put an end to long waiting lines and bribing of administrative servants. This solution will be fully operational by the third year of mandate. In the meantime, in the first 180 days of its mandate, the Government will eliminate all unnecessary documents required by institutions in administrative procedures that will decrease additional costs. The total cost of services will be clearly indicated. Moreover, we will secure electronic issues of the 50 most required certificates or documents, and every six months, the number of e-services provided to citizens will increase by 10 %.
- table legal changes for provision of short and efficient administrative procedures. The State Administrative Inspectorate will open a hotline where citizens and companies can report their suspicions of violations in administrative procedures.

## **Investments for Sustainable Growth**

### **Agricultural Development**

The priority of the Government is to increase the agricultural land and the yield and quality of agricultural products. It will also mean higher revenues for all families dealing with agriculture and animal husbandry. The policy will be directed towards increasing industrial processing facilities that will be export-oriented and create products with higher added value. Important tasks in the field of agriculture: direct agricultural subsidies to profitable and market-oriented agricultural holdings; budget transparency of the National Program for Agriculture and Rural Development; consolidation of agricultural land per farm; and horizontal integration of entities in the agricultural food sector and the formation of cooperatives.

The Government will provide annual financial support for agriculture amounting to 160 million EUR. Additional financial incentives will be available to increase agricultural areas and the basic herd. Increased support will go along with increased fairness and transparency, in order the funds to come to the right farmers and herdsman. For this purpose, a system based on aerial imagery will be put in full operation, in order to determine the current state of agricultural land, and reduce the opportunities for abuse. At the same time, the system will be changed to speed up and simplify procedures for granting subsidies and easier access to EU funds for rural development.

In line with the reforms envisaged in the tax system, citizens whose main activity is agriculture and are eligible for lump sum taxation, shall be exempt from paying tax.

Older agricultural population, with experience of 15 years and over 64 years of age, will be allowed to use retirement benefits.

The Government will introduce subsidies for oil for agricultural machinery with mechanism to prevent possible abuses.

The Government will set up obligations for payment of purchased agricultural products to be made not later than 90 days after the purchase. The law will introduce bank guarantee obligations for the planned purchase of agricultural products. For that purpose, the Government will mediate negotiations between producers and buyers of agricultural products (wheat, rice, vegetables, fruits, grapes, etc.) to arrange purchase and purchase price no later than 30 days before the start of the purchase.

In terms of agricultural land, the Government will undertake the following activities:

- review of already granted state agricultural land and categorization of land according to its quality. Size and duration of the concession will be established base on these parameters
- regionalization of agriculture based on soil and climatic conditions of the regions planned for crop and livestock production, and development of lists of recommended crop varieties, taking into account traditional production.
- enlargement of agricultural land will be done through the exchange of parcels with or without changing their form, until complete change of borders of land plots in view of getting larger land areas with proper form, suitable for agricultural production.
- arable land will increase by investing in irrigation systems.

The government will introduce the possibility for increased financial support to farmers under the age of 35 years, up to five years from the commencement of agricultural activity. Young farmers under 35 will be exempt from lease of state-owned land within the first 3 years. In addition, we will ensure increased participation of the state in adding to the cost of agricultural mechanization. In order to secure easier use of IPARD funds, the Government will introduce financial support for interest on loans raised from commercial banks for investments within IPARD programs.

The government will introduce simulative measures for production of animal feed, alternative crops, organic production, produced and placed seedlings of horticultural crops, production of better quality planting material, construction of infrastructure to poorly accessible mountain farms. It will encourage construction of modern storage facilities and purchasing and distribution centers in production areas for specific agricultural products whose capacity will be over 5,000 tons, and the creation and protection of products with recognizable brand, a sign of quality or geographical origin.

The Government will propose amendments to the Law on Tobacco under which purchase of tobacco will be regulated by classification into three quality classes and according to the proportional representation of harvests (lower, middle and upper).

Support of development of the manufacturing industry will be implemented through co-financing of construction and reconstruction of production facilities, supply of equipment for wineries, fruit, vegetables and milk processing and production of dairy products. As part of this policy, the Government will assign urbanized state land in major production regions (Strumica, Gevgelija, Bitola, Prilep, Rosoman, Berovo, Resen, Ohrid, Tetovo, Gostivar, Valandovo, Lipkovo, Kicevo and in other regions).

In order to increase the quality of products, the Government will support the installation of digital hydro meteorological stations in every major manufacturing region. We will provide reliable and cheaper protection of crops and plantations to reduce the use of pesticides. In this regard, we will strengthen the control of the import and sale of pesticides.

In husbandry, we will encourage allotment of state agricultural land to real dairy farmers, an increase of 20% over basic subsidies to registered dairy farmers in order to stimulate the development and professionalization of husbandry as the core business, financial support for young farmers in the purchase of the first herd, greater support to milk producers, support for artificial insemination of sheep and synchronized production of lamb for export to EU markets.

Animal health is a key factor in providing healthy food for the citizens of Macedonia and the increase of exports. We will reduce the VAT rate to veterinary medicine, take over the registration of veterinary medicinal products originating from the EU, subsidize the introduction of new accredited methods and accreditation of laboratories dealing with safety control of food intended both for export and for use on the domestic market.

We will establish an intervention fund for the agricultural and food sector to stabilize the income of farmers as precautionary measure and compensation upon considerable declines.

The Government will implement the Strategy for Sustainable Development of Forestry in the country, with the participation of all stakeholders in the field of forestry and

hunting, as well as citizens from non-governmental organizations. In this regard, will transform PE “Macedonian Forests” in order to guarantee responsible management, increased productivity and satisfactory financial results.

An important objective of the Government will be to increase forestall areas in the country, better preservation of forests and protection from illegal logging by transferring the sector forest police from the Ministry of Agriculture, Forestry and Water Management, in the competence of the Ministry of Interior.

### **Infrastructure**

Infrastructure investment levels in Macedonia in the past 10 years were extremely low. Macedonia became infrastructurally backward country, with rural areas with no basic living conditions, water supply systems, and sewage and storm sewers. Roads have become dangerous and unsafe (39% extremely unsafe by the EU) while only few sections are currently being built with great delay.

Consequently, the new Government will focus on the construction of infrastructure that will bring future to the Macedonian economy, while stopping investments in unproductive projects, such as Skopje 2014. Decisions on large investments in infrastructure will be brought transparently and through consultations with citizens and relevant experts.

The Government’s main infrastructure goals are set along a number of projects: “Macedonia megalopolis” infrastructure connection between largest centers taking no more than 90 minutes; “Macedonia free of accident blackspots” and “Macedonia without mud.”

The Government, in accordance with the Law on the Excise Duty on Fuel, vehicle registration and toll collection will transparently use the funds for investments and maintenance of road infrastructure. The Government will set up a company with dominant state ownership (51%) through which investments in infrastructure projects and renewable energy sources will be pursued. The initial size of the company will be 300 million EUR.

The Government will initiate negotiations to fund 3 priority infrastructure projects through the initiative 16+1 Initiative promoted by PR China amounting to over 10 billion USD.

The Government will adopt a 10-year road infrastructure investment plan amounting to 3 billion EUR to increase the current financial shortfall for road maintenance. Through these investments, the Government will ensure the construction of 600 kilometers of motorways and express roads, 550 kilometers of highways and regional roads and 1,000 km of local roads. Part of the priority routes will be:

- Skopje - Blace (border with Kosovo) Highway
- Reconstruction of regional road Dracevo - Oresani - Taor and regional road Dracevo – Jurumleri
- Complete construction of the regional road R-302 from Kisela Voda to the regional road R-104 near the locality of Brzovec
- Construction of an underground traffic corridor in downtown Skopje, from the Government building to the Banks Complex

- Construction of a new road connecting Kisela Voda and Aerodrom, from October 11 Neighborhood to the “Rade Koncar” Factory
- Construction of a new road Sopiste - Usje - Boris Trajkovski Bld.
- Reconstruction of regional road Makedonski Brod – Skopje
- Regional road Kondovo – Radusha
- Connecting Matka directly with highway Skopje – Tetovo
- Corridor 8 - (east) Rankovce - Kriva Palanka - border with Bulgaria (first stage express way)
- Corridor 10 - Rehabilitation of highway Miladinovci – Kumanovo
- Construction of a regional road Matejce – Lipkovo, Lipkovo - Belanovce and Tanusevci – Debelde
- Regional road Mlado Negoricane – Pelince
- Infrastructure construction of industrial zone Vizbegovo
- Regional road Kumanovo - Aracinovo (section Nikushtak - Kumanovo)
- Regional road Kumanovo - Sveti Nikole
- Highway Miladinovci – Stip
- Stip - Radovis (expressway)
- Stip - Kocani (expressway)
- Reconstruction and rehabilitation of Kocani – Delcevo
- Kocani - Probishtip (section Ponikva - Turkish miner)
- Reconstruction and construction of Peklanska Reka - Bigla (Vinica - Delcevo)
- Reconstruction of regional road Veles – Bogomila
- Reconstruction of regional road Berovo – Strumica
- Reconstruction of road Probistip – Krupiste
- Reconstruction of regional road Berovo - Pehcevo – Delcevo
- Regional road Delcevo – Zvegor
- Reconstruction of road section on the road Berovo – Vinica
- Completion of construction of bridge over the river Bregalnica on the Kocani - Zrnovci regional road
- Financial support for construction of a dam on the river Otinja in Stip and the project for construction of bridge over river Vardar and ring-road in Veles
- Expressway Gradsko - Prilep - Bitola – Medzitlija
- Feasibility study of highway Prilep - Bitola – Medzitlija
- Highway Demir Kapija – Smokvica

- Rehabilitation of the national road Strumica - border with Bulgaria
- Highway project Strumica - border with Bulgaria
- Rehabilitation of highway Smokvica – Gevgelija
- Rehabilitation of highway Negotino – Demir Kapija
- Regional road Kavadarci – Rosoman
- Regional road Dedeli - Furka - Bogdanci – Gevgelija
- Reconstruction of regional road Prilep - Noshpal - Dobrusevo – Novaci
- Highway Kicevo – Ohrid, Trebenista – Struga
- Design section Struga-Kafasan and start construction
- Design highway Gostivar - Kicevo and start construction
- Reconstruction of the section Ohrid – Resen
- Ohrid - Pestani - Naum (the Government will make changes to the existing project in order to protect the National Park Galicica)
- Better solution for transit Kicevo (part of highway Gostivar - Kicevo)
- Complete reconstruction of the road Podmolje - Struga - Kalista - Radožda (old road Ohrid - Struga), the existing alignment and associated road infrastructure (bicycle and pedestrian paths) to ensure quality access to tourist facilities on the coast. It shall respect the protected zone of the lake.
- Reconstruction of regional road Bitola - Demir Hisar
- Reconstruction of regional road Krusevo - Demir Hisar
- Rehabilitation of regional road Lazani - Ropotovo - Crniliste Dolneni
- Reconstruction and widening of regional road Debar - A4
- Negotiations on possible financing for construction of a new regional road Izvor - Garski most
- Completion of construction and reconstruction of state road R2235, section Mavrovi Anovi – Mavrovo (section from the Mavrovo Dam to Belicki Channel)
- Reconstruction of regional road Tetovo - Popova Sapka
- Connecting the overpass near Trebos with Corridor VIII
- Considering the results of the feasibility study for the road Tetovo - Prizren, we will be consider the most economically viable variants
- Reconstruction of regional road R 2242, Jegunovce – Zelino
- Roads Dobridol – Gostivar, Gostivar – Serbinovo
- Set protective net against landslides on the road Boskov Most – Debar
- Set protective wire mesh against landslides on the section along Radika River

- Reconstruction of regional road R 29 274, Leshok - (R 2242) Semsovo
- Reconstruction of regional road R 2234, link to 1203 in Prshovce to link R 2242 in Jegunovce
- Reconstruction of regional road Centar Zupa - Novak

The Government will invest in projects for modernization of road infrastructure, improve safety and traffic flow, particularly in the rehabilitation and reconstruction of priority accident blackspots, and reduce pollution. We will evaluate and remediate all landslides, introduce electronic tolls and modern signaling and Intelligent Transportation Systems (ITS). The Government will initiate the preparation of project documentation for determining priority sections, pledging to invest evenly across regions.

We will work on the construction and rehabilitation of other regional roads to be subsequently determined by the program of the Public Enterprise for State Roads (JPDP). At the same time, we will accelerate the opening of new border crossings along roads that are currently being constructed or completed.

The new Government, in collaboration with local self-government units, will work on the construction and rehabilitation of several local roads throughout the country. At the same time, it will help build local roads and mountain bike paths of interest for the development of lake, mountain and sports tourism.

The government will invest in the modernization of railway infrastructure, renewal of the rolling stock, and safety, such as:

- The Project for suburban passenger traffic will consist of 4 legs in and around Skopje:
  - Zelenikovo - Dracevo - Lisice - Pintija – 11 Oktomvri - Skopje Patnicka (24 km)
  - Miladinovci - Ilinden - Madzari – Skopje Patnicka (19 km)
  - New line from Miladinovci to Petrovec Airport (5 km)
  - Radusa - Saraj - Gjorce Petrov - Skopje Sever - Zelezara - Pivara - Skopje Patnicka
- Electrification of lines Skopje - Skopje Sever - Gjorce Petrov - Volkovo - Blace (border with the Republic of Kosovo) and Skopje – Kicevo
- Completion of the reconstruction of the railway line from Kumanovo to Beljakovce (Corridor 8) and construction of a new railway line from Beljakovce to Kriva Palanka (Corridor 8)
- Initial phase of construction of a new railway line from Kriva Palanka to Deve Bair (third phase of Corridor 8 from Kumanovo to Bulgaria)
- Preparation of project documentation for construction of railway Kicevo - Lin (Albania) and start of construction
- Feasibility study for construction of railway branch to Strumica and Bulgaria
- Reconstruction Veles - Bitola and completion of reconstruction Bitola – Kremenica

- Preparation of basic projects and other necessary technical documentation for the construction and supervision of the new rail lines to industrial zones (from the Miladinovci train station to the industrial zone Bunardzik)
- Traffic safety: ensuring road crossings along Corridor 8 and Corridor 10
- Solar railway stations - reconstruction and modernization of railway stations along Corridor 10 and 10d.

The Government will develop a new national strategy for long-term development of air traffic, analyze the level of implementation of the concession agreement with the airport operator and work on investment priorities, such as fast transport connection between Skopje and Ohrid airports and promotion of Ohrid Airport as low-cost airport. We will analyse the conditions for establishing a regular national air carrier, construction or adaptation of 7 heliports for medical, police and military needs, and 4 separate water areas intended for hydroplanes for special purposes.

Through open dialogue between public authorities and specialized institutions and experts we will propose subsidizing sustainable tourism linked with the development of air travel and transport.

The Government will develop a transparent system for fair distribution of CEMT licenses and support, and provide security to companies by offering equal conditions for all participants. The potential for development will be stimulated by reducing the price of the Green Card.

The Government will propose legislative measures and provisions for restoration of professionalism and legality in spatial and urban planning and in the geodetic profession in general through transparent and humane space planning and development of cities.

The Government will propose revision and harmonization of laws, measures and regulations to control facilities, increase safety and quality of construction and the mandatory area with greenery. The Government will enable citizens to oversee the process of making urban plans and provide them with a real opportunity to influence the decision-making process. We will normatively regulate urban greenery standards in every building parcel to satisfy citizen needs for humane, healthy and quality life. Additional financial incentives will be offered within Cadaster Agency tariffs and in utility fees paid for construction of parking facilities and other public buildings of interest.

The Government will work on balanced development and allocation of resources in rural areas, thus directly contributing to the improvement in the lives and well-being of citizens by construction of sewage and water systems. The percentage of coverage with sewage systems should rise from the current 18% to 40% and will be financially assisted by the Government. Government reforms in the utilities sector will enhance the effectiveness and productivity of services. The Government will secure assets and financial incentives from either European funds or the state budget.

The government will ensure measures to prevent abuses in social housing through subsidized construction (50% of municipal fee for construction of individual residential houses up to 150 m<sup>2</sup>), subsidies on interest loans available to young couples, and subsidies for design and construction of facilities for vulnerable groups.

The government will subsidize energy insulation of buildings, with 20% of total investment. The grants will secure up to 70% energy savings, reduced costs, reduced electricity imports and increased workload and number of employees in manufacturing and contracting companies.

## **Energy**

The Government aims at regaining Macedonia's long-gone energy security and stability, to reduce energy costs and energy poverty, and turn solar power an important source of household energy.

The Government will provide energy access to all citizens and enterprises. We will stimulate innovative solutions, advanced technologies for energy production, reduce the share of fossil fuels, and increase the production of renewable energy.

Reduction of energy imports will result from combining energy efficiency and energy savings, rational production of own energy and meaningful participation in regional and international electricity, natural gas and oil derivatives markets.

The Government will support rational production of electricity by conversion of TEC Negotino power plant into an energy and agricultural facility, construction of HEC Chebren and HEC Galishte, optimal utilization of Pelagonija's coal basin, and implementation of modern environmental standards in the TEC Bitola and TEC Oslomej.

The Government's project for TEC Negotino will provide cheap energy for agricultural enterprises and thus contribute to their competitiveness and export of early vegetables and job creation in agriculture. By building HEC Chebren and HEC Galishte, the Government will secure higher domestic production and reduce imports of expensive energy. With initiation of exploration of coal seams in the mine pit Suvodol and exploitation of coalmines in Zivojno and Vitolishte, the Government will extend the life of the backbone of the Macedonian energy sector, REK Bitola. With the implementation of modern eco-standards in the TEC Bitola and TEC Oslomej (installation of systems for reduction of emissions and desulphurization plants), we will reduce the emission of harmful particles in the environment in the Pelagonija and Kicevo regions.

The Government will focus on meeting the power needs of the country with own production as well as improving working conditions and protection in energy companies.

With the opening of the new coal pit Popovjani and modernization of TEC Oslomej, the Government will extend the production life of the plant and will provide new jobs in the Kicevo region.

The Government will examine the feasibility for construction of hydropower facilities along the river Vardar in order to realize cost-effective projects quickly.

Using the existing route of the 220 kV connection Skopje-Kosovo and announcements to build new production facilities in the region, the Government will focus on rapid construction of a new 400 kV connection to Kosovo. The Government will accelerate the construction of a new 400 kV connection Bitola-Elbasan to provide access to Albania's transmission network and strengthen the transmission network in Bitola-Ohrid region.

The Government will provide for the use of natural gas as cheap and environmentally friendly energy source for everyone in the country by building gas pipelines with innovative new technologies (CNG and LND) to urban areas and distribution networks.

The government will take measures toward rejoining TAP (TAP-Trans Adriatic Pipeline) for gasification of southwestern Macedonia and joining the transmission systems in Bulgaria and Greece.

The Government will simplify procedures for implementation of projects related to renewable energy sources, entrust an institution to introduce “one stop shop” for obtaining all the necessary data, information and documents in view of implementing the overall process to fruition. The Government will propose legislative changes to simplify procedures for urbanization of construction land and obtaining construction permits for such facilities.

The Government will financially subsidize the construction of photovoltaic power plants in households and encourage economic development by opening new factories for manufacture of photovoltaic panels and modules. New 10MW photovoltaic power plant will be built with panels produced in Macedonia. The Government will foster wind-speed electricity production (for up to a maximum installed capacity of 150 MW) through a transparent process of permits and decisions.

The Government will invest in reforestation of mountains and low-class agricultural lands with energy-rich, fast-growing trees for production of pellets and biomass. The Government will stimulate domestic and/or foreign investors to open factories for the production of wood pellets and chips.

The Government will apply a policy that the cost of thermal energy from large cogeneration plants will be sold at a price that is at least 10% lower than the price of boiler regulated plants.

The Government will encourage the use of cogeneration plants in households and in public health institutions and provide financial incentives. The Government will grant low-class agricultural land, so-called “energy-farming” areas for investments in cogeneration installations in agriculture

The Government will establish a special fund for financing energy efficient projects with funds from the energy companies and EU funds and grants. We will provide free education to commercial and industrial customers to rationalize energy consumption.

To reduce energy poverty, the Government will introduce priority measures for greater energy efficiency, energy vouchers to citizens covered by the Law on Energy Poverty and “cheap electricity” on the weekends and 2 hours daily.

In the process of creating conditions for liberalization of energy markets, the Government will take care to avoid possible price shocks, particularly the security of energy supply.

By making changes in laws and bylaws, the Government will allow for the legalization of all illegal buildings that are located in or in close proximity to high voltage transmission lines corridors.

## **Information Society**

In the last ten years, the development of information society in the country, compared to other countries in the region and particularly to countries of the European Union, stagnated considerably. This assessment is noted in a United Nations Study (“E-Government Survey 2014: E-government for the Future We Want”), published in June 2014. Macedonia occupies the last place in all segments of the analysis - lowest index of e-government development of all countries in the region, smallest percentage in offering electronic services to citizens, lowest percentage of citizen participation in decision-making at both local and central level. Similar results can be seen in various EU, Organization for Economic Cooperation and Development (OECD) and World Bank research.

The Government’s goal will be development of the IT sector (meaning increasing exports, reducing unemployment and building Macedonian brands) as well as simplifying and speeding up communication between citizens and the public administration using ICT. To this end, Government priority will be given to the creation of electronic registers as a basis for all electronic government services provided to citizens and businesses.

In support of the development of this sector, the Government will provide full protection of intellectual and industrial property in the field of information technology and develop a long-term national strategy for development of information society (which will predict the development of electronic commerce). The Government will support the establishment of research units in the business sector in view of efficient transfer to modern technologies.

The Government will pursue a policy of reducing the profit tax for Informatics and Information Technology to 5%.

The Government will financially assist the marketing of services and solutions developed by Macedonian ICT companies on world markets, as well as the retraining/service training of highly educated technical engineers (technologists, architects, mechanical and civil engineers) into IT engineers, in order to harness their IT knowledge and reduce unemployment of technical staff.

The Government will provide tax incentives for IT companies exporting software and services. This will allow increased foreign exchange earnings, building new outsourcing IT companies and opportunities for new jobs.

Additionally, the Government will take the necessary steps for attracting third mobile operator in view of reducing prices of services and provision of better services to citizens

The Government will fully implement the three main electronic registers: the Register of Citizens, the address register and the register of spatial data. These records are the basis for all electronic government services provided to citizens and businesses through systems used in public administration (registers, single electoral list, etc.) as well as the basis for all necessary actions for organizing population census in Macedonia.

We will develop to the fullest e-government and government services to citizens and businesses, to speed up procedures in the administration and reduce costs. By applying the most modern ICT strategies and measures, we will improve transparency of government institutions through full application of the concept of open government (Open Government). In this way, we will reduce the possibility for discretionary decisions, discrimination on any grounds, but also strengthen the fight against crime and corruption.

## Healthy Environment

Republic of Macedonia with its natural features and resources, offers innumerable opportunities for high quality of life of its citizens. It contains rich geo-morphological and biological diversity, sufficient drinking water, beautiful lakes and river basins. This is a significant potential for present and future generations. Unfortunately, the desire for quick profits, breaches of legislation, lack of adequate institutional and human capacities led to enormous air, soil and water pollution and disturbance of natural habitats. It is devastating that in the 21st century the Republic of Macedonia is challenged by environmental problems peculiar to the third world. The Government will provide better quality of environmental media and protection of natural resources through non-corrupt effective institutions; strengthened, equipped and professional inspection services; private sector support, so it can meet the environmental protection standards; customs relief for import of new technological equipment or installation of systems for treatment of exhaust fumes or wastewater; provide funds through the budget, IPA EU aid and “soft” EBRD, EIB and World Bank loans to stimulate public-private partnerships as well as full transparency and broad consultation in the area.

Air quality monitoring and monitoring of air, water and soil emissions will be permanent and available to the public, science community and civil society. We will establish dedicated environmental health indicators for assessing risks to children’s health from air pollution.

The Government will review its decision on the import of used vehicles in order to provide low-level air traffic emissions. Concerning traffic, we will promote the use of gaseous fuels like natural gas and propane-butane and stimulate public and organized transport in urban areas and in major companies.

The Government will establish the Environment Fund to ensure that funds received from environment fees will be allocated for projects set to improve the quality of environmental media, and will not be used for the comfort of the administration (business trips, pay phones or equipment of cabinets of ministers).

The Government will support the construction of regional centers for waste management that are most appropriate to deal with municipal, industrial, medical and animal waste. To ensure adequate and economically efficient operation of future regional waste management centers, the Government will provide legal basis for public-private partnerships in waste management, recovery of usable fractions and production of secondary products, fuels and energy. This means solving the problem of irregular and illegal landfills, which are one of the largest sources of pollution.

The Government will finance the preparation of the priority list for solving historical industrial pollution and rehabilitation of degraded areas.

Priority will be given to the construction of treatment plants for wastewater treatment in all towns with over 10,000 inhabitants.

The Government will support programs to increase green areas in cities, but with our, native species, grown in our nurseries – instead of importing foreign plant species that are expensive and cannot adapt to our climatic conditions.

Macedonia is rich in renewable energy sources, but their use is still very limited.

For example, the use of solar energy in the country is the lowest compared to European countries. We will facilitate and strengthen the subsidizing of renewable energy sources (solar, wind, geothermal and biomass) and simplify the procedures for energy projects based on renewable energy. Through specially designed programs intended primarily for rural areas, we will encourage citizens to use renewable energy sources that remain as waste from manufacturing processes. The potential for energy efficiency in Macedonia is higher than the total lack of energy that is covered by imports. That potential is greater than the capacity of all small hydropower plants to be built and to operate under preferential (feeding) rates. For the sake of using that potential, we will take additional measures and projects described in section Energy. In accordance with the Kyoto Protocol, we will calculate and encourage reduced CO<sub>2</sub> emissions. The savings obtained in CHP as carbon credits will provide funding for energy efficiency. We will support the creation of ESCO companies, relying on their verified model for implementation of energy efficiency projects in the European Union.

The Government will promote healthy, humane and just society and non-violent attitude towards animals. Following European trends and clearly defined strategies adopted by the Council of Europe and the World Health Organization (WHO), we will set up and implement humane programs to address problems with animals and fully involve all Macedonian associations for animal protection, so they contribute with their knowledge, experience and other available skills and capacities.

## **Protection of Natural Disasters**

According to World Bank analyses and data, Macedonia is increasingly susceptible to natural disasters due to climate change. For these reasons, our institutions must be prepared to deal with these challenges and minimize damage to life, health and property of citizens. The floods in the last two years showed all systemic weaknesses of the institutions, especially in the prevention area, and led to heavy casualties, late and insufficient assistance and rescue, and grave discrimination.

The Government will review the functioning of these institutions, precisely define their individual responsibilities and provide a functional system to protect the life and property of citizens. All institutions in the system of protection and rescue from natural disasters will be equipped with adequate, continuously trained professional staff. Their collaboration will raise significantly. We will procure modern equipment and assign it to all relevant institutions, while the existing will be maintained in good condition.

The Government will introduce an integrated system of water management through the establishment of a water agency. All data on water resources collected from relevant institutions will be integrated in one place and all activities will be coordinated using a single management tools system. Using all available data from institutions and municipalities, but also those publicly available by the EU, we will immediately start with drafting a realistic operational plan for flood protection in vulnerable areas and reconsider the civilian protection plans for each municipality and the city of Skopje. We will continuously provide training, promote information sharing to the population at risk of flooding, and inform them how to behave in case of floods and other disasters.

The Government will develop a “Land registry of areas threatened by natural disasters in Macedonia” accompanied by degree of risk parameters. This registry will be included in all planning and sectoral documents and define the red zones (prohibition of construction), yellow zones (construction allowed, but only with safeguards) and green areas (free construction). We will strengthen expert control in the development and implementation of modalities for protection and rescue in spatial and urban plans.

The Government will consult experts upon the development of measures to combat erosion and regulation of torrents, and reforestation of mountains where unlimited lumbering has led to destruction of forests and consequently soil erosion. We will examine the resilience of buildings built in compromised areas, and provide measures for rehabilitation and maintenance of dams. The evident crime of illegal lumbering will be fought against by transferring the forest police department of the Ministry of Agriculture, Forestry and Water Management to the competence of the Ministry of Interior.

The Government will launch debates on banning construction in riverbeds and take steps to rehabilitate Vardar’s riverbed whose omission power is further reduced by “Skopje 2014” buildings. The width of coastal areas and riverbeds will be defined in accordance with European standards.

The Government will maintain a modern, meteorological, early warning system in case of risk of bad weather so the population can be promptly informed and prepared to tackle these challenges. We will establish a single system for reporting and alerting and set up a unique communication and information system with the implementation of area code crisis - E-112.

The Government will seize the opportunities of “Europe Re” created as a reinsurance company through public-private partnerships with several countries in the region. In the event of natural disasters, the Macedonian budget will be secure, and any damages will be covered by reinsurance. Using innovative technologies, the system guarantees to cover all damages under Swiss quality standards, without bias, political influence and opportunities for corruption.

## **Free and European Culture**

Freedom of creation, equality and universal values will be the core values of the Government's cultural policy, while the most important guiding principles will be accessibility, participation and equal conditions and rights for all. Guided by the concept of cultural democracy, we will promote participation of all citizens in culture and the creation of cultural policies. Culture must have progressive social function: to entertain, argue, explore, criticize, experiment and create new values. Trends in European culture knows no strict control by the state. It is open by nature, open to other cultures, open to all citizens.

The Government will not be authoritarian factor in cultural life nor chief executioner of culture as in the past, but mere regulator of the general framework of the cultural system and the basic cultural policy objectives. The main carriers of cultural life will be institutions and organizations of culture, artists and all people with creative vision.

The Government will review the current model of funding of national institutions and projects of national interest, improve the outdated division of activities and sectors and introduce the European principle "at arm's length" in their management. The new funding system will exceed the annual program. We will set special funds for the various domains of culture, which will receive a clear and long-term mandate and autonomy, so they can fully assume responsibility for selecting projects. We will apply the model of combined calls, with fixed and/or variable dates applicable to both short-term and long-term projects, which require a two-year or multiyear funding (especially for meeting projects that have received European support). At the same time, we will revise the legal framework for financing the newly established Film Agency in order to arrive at a just solution for all stakeholders.

We introduce new standards of performance - transparency, accountability, impartiality and efficiency of all factors in the cultural system, especially with regard to national and other public institutions. By guaranteeing autonomy in the selection of programs and projects, we will establish a fair practice where every decision is taken based on clear criteria and justification.

The Government will promote legal and substantive amendments to restore the identity and self-esteem of cultural workers and artists in institutions. The focus will be on the authors and the proper valorization of their copyrighted work. We will strengthen the transparency in the work of collective organizations for copyright and related rights, strengthen the control over use of copyrights and continuously strengthen both the protection of authors and users of copyright under jurisdiction of the Ministry.

The Government will stimulate the creation of programs and artworks with high artistic quality. All institutions and organizations that receive state support will be required to develop plans and strategies to attract audiences and raise their criteria for evaluating actual quality of cultural performances.

The Government will thoroughly review the project "Skopje 2014" along with its political, constitutional, legal, ethnic, cultural, architectural, urban, financial and aesthetic aspects. To cope with the consequences of "Skopje 2014", the Government will call on-board all institutions of culture, science and art. Once all constitutional, legal, criminal and inspection assessments are completed and the abuses and crimes committed by

and within this gigantic project are cleared, we will initiate revitalization activities in the downtown area and the Old Bazaar. This will prevent hasty, arbitrary or populism-motivated solutions.

The Government will draft a strategy and advance measures to remedy the dire situation of cultural heritage conservation. We will audit all projects that might threaten Macedonia's precious cultural and natural heritage, such as the Skopje Fortress, Plaosnik in Ohrid, ski center Galicica, Lagadin beach, the weekend settlement in Lazaropole etc. In order to overcome the existing voluntarism in this area, following the example of developed the European countries, will develop a new Law on Protection of Cultural Heritage which will enlist all monuments of national importance. The list will be a public document, available to citizens. We will introduce a system for compulsory financing of monuments from the list, based on the category of value and degree of endangerment, without giving preference to any type of cultural heritage. The Government will finance professional training and meritocratic recruitment policy in the field of conservation and restoration.

We will introduce legal framework mechanisms for evaluation of contemporary art and architecture as an integral part of the list (according to the criteria of value, not the time of construction), which will prevent façade re-vesting of important buildings like the government building, City Trade Center in Skopje, or old city core of Skopje on Macedonia St. This will also protect the Old Bazaar, Plaosnik in Ohrid, the old bazaar in Struga, the old architecture in Kratovo, Sirok Sokak in Bitola and Kicevo Fortress.

The Government will establish an independent expert body to review all new museums in terms of the value of their collections and physical-security conditions for their exposure and keeping. Museums will be run and administered in step with European and international standards. In the process, we will highlight the role of museums in preserving the intangible cultural heritage, with focus on their communication role and their interaction with visitors.

The Government will transform national cultural institutions under clear and public criteria. National institutions will develop their annual program activities in direct negotiation with the Ministry of Culture instead of public competitions. The procedure will be transparent, with public hearings on the draft annual programs.

The Government will encourage local authorities to adopt local cultural policies, introduce strategic planning and present active cultural development programs. It will make the cultural system more efficient and more adequate to cultural needs of citizens. The new cultural policy of decentralization will allow each municipality or greater urban community to establish at least one cultural community center. We will create conditions for local development of creative industries that will contribute to the economic development of the municipality.

The new cultural policy will be geared towards the living culture, independent cultural scene, cultural processes and artistic practices that include both artists and audience. We will support their structural needs, production costs and strategies for growth and improvement of the quality of projects and organizations. We will support new productions, experimental practices and models of action and introduce good practices for sustainable growth and operation. Particular attention will be paid to so-called creative industries and cultural industries. We will follow Europe's top trends and policies,

carefully adapting their application to the national context, market features and audience in the country. We will increase opportunities for creative entrepreneurs and their breakthrough on international markets.

The Government will set up a special fund for promotion of our arts and culture abroad and substantial regional and international cooperation. We will support the full digitization of our cultural and artistic treasures (especially the older editions, important papers and other periodicals).

The Government will finance a priority list of art colonies and other events that best meet public interest in the visual arts. In theater, we will project at least two-year budgets for each theater and work on securing additional funding models (sponsorship, patronage, long-term donations) and provision of mechanisms for greater participation of local governments in financing of theaters. Will restore the autonomy in decision-making, both in terms of managing structure and in terms of programs. Ensemble representatives will have the final say. They will make decisions based on competence and proposed program. We will support tours abroad and the engagement of internationally renowned directors.

The Government will introduce transparency and accountability in deciding which film deserves to be funded by the state. We will provide support to many directors and filmmakers so they can improve their craft and aesthetics by participating in several productions. We will insist on productions with reasonable budgets, good scripts and solid film crew that can create aesthetically valuable films. The Government will propose models for financial support of cinemas and increase high-quality cinema networks. The Government will promote a new system of financing student and graduate films, which will include MRT as technical support for student films in order for them to gain experience and reputation.

To support young people and greater cultural engagement, the Government will fund the Youth Theater, composed of youth and students, who will tour throughout the country. This activity will encourage construction or preadaptation of existing facilities in youth multifunctional centers in several municipalities and cities for organization of public events, theater and cinema performances, oratory dinners, exhibitions and the like.

## **Local self-government and balanced regional development**

Macedonia is one of the most fiscally centralized countries in Europe in which most of the municipalities do not have sufficient financial means for successful completion of their legal competences and provision of quality services to citizens. In addition, the Republic of Macedonia is extremely unevenly developed country. The differences in the development of urban and rural municipalities are enormous, as well as those between the City of Skopje and the rest of the country. Many municipalities cannot cover running costs, such as student transport and school heating. Life in villages and smaller municipalities is very tough, so many people, especially young ones, choose to live in the urban centers or move abroad.

The Government will implement policies in view of increasing the municipalities' capacities, as well as their transparency and accountability. The goal will be to give more power to citizens, but also improve the services and life quality across the territory of the Republic of Macedonia.

Decentralization of power remains our top priority. All citizens, whether living in a city or village, have the right to quality education and health care, clean water, a healthy environment, safe and peaceful life. We are guided by the fact that local government potentials in the development of the country have not been used to the fullest. There is no democracy without developed local self-government. The Government will pursue a policy of transferring new powers and more funding to municipalities for the successful execution of entrusted responsibilities and provision of better services to citizens.

The Government will financially stimulate the opening of service centers where citizens can get all the services in a reliable, fast and cheap way.

The Government will implement policies, which will eliminate biased and partisan influence in the allocation of public finances in the country. We will provide for transparent, fair and objective means for allocation of capital and block-dotations. Due to the catastrophic situation in this area, we will integrate capital dotations in one system with several subsystems. We will increase the means and we will provide for a transparent and fair allocation according to objective criteria.

The Government will introduce European best practices and increase the annual transfers for balanced regional development from around 4 to 80 million EUR in view of stimulating local economic development and decrease regional differences. The Ministry of Local Self Government will be in charge to follow-up governmental investment decisions and give opinions with balanced economic development in mind. Moreover, greater independence of regional councils in decision-making and in financing of priority regional projects will be promoted. Adoption of urban plans and strengthening of administrative and financial capacities of Regional Development Centers (securing status of civil servants of the employees in the centers and full coverage of the operational costs by the central budget) will also be done with less pressure from the central government.

In order to provide quality services to all citizens, regardless of their place of residence, we will build an objective, fair, transparent and sustainable system of financial equalization of municipalities in close cooperation with the Association of Local Self-Government Units (ZELS). The aim is to provide more funding to small and poor

municipalities, which, based on real indicators, have continuously shown little tax capacity and great financial needs.

The Government will set up a fund to support municipal projects, financed from IPA and other EU programs. The fund will provide permanent and reliable funding for capital infrastructure projects such as water supply systems, construction and reconstruction of local roads and streets, regional plants for treatment of municipal solid waste, wastewater collection systems, treatment plants for fecal wastewater, gasification of municipalities, public street lighting, parks, regulation of riverbeds, etc.

The Government will launch a process that will encourage and oblige municipalities to prepare urban plans for all residential areas. The conversion will take place in two phases - the first will cover residential areas of over 1,000 inhabitants, while the second, settlements with less than 1,000 inhabitants. Municipalities will be required to develop economic development plans as a basis for sustainable community development for all residential areas. According to the best European practices, urban plans will have a longer period of validity, while municipal development plans will be valid for 4 to 6 years.

The Government will simplify and lower the costs of all procedures for obtaining building permits. In smaller and rural areas, we will directly stimulate the construction of buildings for housing and business. In these areas we will significantly reduce the cost of building land and fully subsidize the urbanization of the construction land. For young couples and families who do not have their own home we will introduce additional stimulation measures for housing construction. This will stop the outflow of young people and create realistic conditions for return of life in these areas.

The Government will provide budgetary support for replacement of all asbestos-cement pipes and all asbestos-cement roofs of public institutions under the jurisdiction of local government by the end of the mandate. All public local government buildings will receive insulating facades, which will save a lot of money for fuel, reduce the cutting of firewood and improve conditions for residence and work.

The Government will initiate reforms in the utilities sector to improve service quality and increase productivity. By way of transformations and other forms of organization, we will reconstruct the existing and build new communal facilities. We will establish balance between business-for-profit operations, on the one hand and the provision of cheap, reliable, high quality and widely accessible services for the citizens, on the other.

The Government will propose appointment of municipal ombudsmen to improve the protection of the rights of citizens violated by the local government.

## **Stimulation of Sports**

The Government will support policies that will increase the number of citizens (of all ages, social groups and background) continuously practicing sports and recreational activities. To this end, we will place top priority on creating high-quality sports system in schools and universities. Special support will be given to achieving high-quality results in national competitions and success of individual athletes participating in international competitions.

The Government will propose a new Law on Sports, which will define the status of sports and athletes in our country, stable sources of funding for sports activities in central and local budgets, and the possibility of direct support to sport with funds from businesses.

The Government will support national sports federations in creating a modern system of national competitions and fully respect the autonomy of national sports federations.

Our goal is to increase the percentage of people who practice sports from the current 2 percent of the population to 20 percent, who will be included in the “sports for all” project. By setting up a real model of school sports, we will increase the number of pupils who practice sports from the current 5,000 to 50,000 students in primary and secondary education.

Sports facilities, which from 2000 are subject to manipulation and exploitation will be given back to athletes and young people. They are currently used for everything else but their main purpose.

We will provide a legal framework and conditions so these facilities are managed and used by local self-government units. Some of them will be handed over to national sports federations and the best clubs, while those with quality equipment, functionality and standards for organizing major international competitions will be under direct state management and made available to federations and athletes.

The Government will initiate procedures toward establishment of a sports financing fund within the Agency for Youth and Sports, which will collect all funds allocated to sports development. It will be funded from levies collected from issuing sports betting permits, a share of each individual betting ticket sold and a share of lottery games payments.

The Government will establish a National Council of Sports composed of the top five sports federations ranked according to predetermined criteria, the President of the Macedonian Olympic Committee and the Director of the Agency for Youth and Sports.

We will determine the maximum quotas for obtaining financial benefits from the state, while sports entities will be divided into three categories depending on the degree of competition and its significance for the popularization of sport and promotion of the country. Financial incentives will be provided by diverting part of the profit tax charged on enterprises. Enterprises will be allowed to invest part of their commitment to corporate income tax to a sports club or athlete.