



ДРЖАВЕН ЗАВОД ЗА РЕВИЗИЈА
ENTI SHTETËROR I REVIZIONIT
STATE AUDIT OFFICE

FINAL PERFORMANCE AUDIT REPORT

“GENDER EQUALITY OF WOMEN IN RURAL AREAS THROUGH THEIR INCLUSION IN THE LABOUR MARKET”





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Skopje, March 2024



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ABBREVIATIONS AND ACRONYMS

ESARNM	Employment Service Agency of the Republic of North Macedonia
APST	Agency for Promotion and Support of Tourism
ADA	Agency for Development of Agriculture
GOVERNMENT	Government of the Republic of North Macedonia
SSO	State Statistics Office
LSGUs	Local Self-government Units
CPD	Commission for Protection against Discrimination
IACS	Integrated Administrative and Control System
IGS	Institute of Gender Studies
MAFWM	Ministry of Agriculture, Forestry and Water Management
MF	Ministry of Finance
MTC	Ministry of Transport and Communications
MEPP	Ministry of Environment and Physical Planning
ME	Ministry of Economy
MLSP	Ministry of Labour and Social Policy
ORNM	Ombudsman of the Republic of North Macedonia
NFF	National Federation of Farmers
NGO	Non-governmental Organizations
ASSEMBLY	Assembly of the Republic of North Macedonia
MCC	Macedonian Chambers of Commerce
FASF	Faculty of Agricultural Sciences and Food

Number:

Date:

SUMMARY

A performance audit on the topic “Gender equality of women in rural areas through their inclusion in the labour market” was conducted to answer the question:

“Are the measures and projects implemented by the competent institutions at the central level efficient in ensuring the inclusion of women in rural areas in the labour market, thereby ensuring their effective participation in the economic and social development of rural areas?”

The performance audit was conducted in accordance with the Annual Work Programme of the State Audit Office for 2023.

Although the performance audit covers the period from 2019 to 2022, it also examines certain prior and subsequent areas, issues, and events up until the reporting date of the audit.

To answer the primary audit question, the following specific questions were formulated:

- Do the created conditions ensure gender equality for women in rural areas and their inclusion in the labour market?
- Do the competent institutions implement measures for vocational training of women in rural areas and support job creation?
- Do the competent institutions at the central level undertake measures and activities to improve public services in rural areas with the aim of promoting gender equality and inclusion of women from rural areas in the labour market?

The audit conducted, the audit methodology applied, and the audit evidence collected, allowed us to gain reasonable assurance that the measures and activities for promoting gender equality of women in rural areas through their inclusion in the labour market undertaken by the competent government institutions are not sufficiently efficient and effective to ensure inclusion of women in rural areas in the labour market and their retention in rural areas.

The audit activities were focused on the risks identified in three areas, where we determined the following situation:

Created conditions for inclusion of women in rural areas in the labour market:

- the National Action Plan for the implementation of the Strategy for Gender Equality 2022 - 2024 has been developed, however, it has not been adopted yet;
- no analysis has been conducted on the status of the implementation of the National Strategy for Agriculture and Rural Development 2014-2020 and the effects of the implemented measures and policies;
- the Employment Strategies of the Republic of North Macedonia do not include any specific employment and training measures that are adjusted to the needs of women in rural areas;
- the strategic priorities and goals that should be directly related to the development of rural areas and the inclusion of women in rural areas in the labour market have not been defined in the Decisions on determining the strategic priorities of the Government;

- no particular legal solutions have been implemented to support the regions in the Republic of North Macedonia that have been almost entirely abandoned or are currently experiencing significant depopulation, taking into account that they cover a significant portion of the country's total territory (up to 4%);
- the Ministry of Agriculture, Forestry and Water Management (MAFWM) does not submit to the Government an annual implementation report on the implementation of the National Programme for Agriculture and Rural Development, the annual programmes for financial support in agriculture, and the annual programmes for financial support of rural development;
- the National Federation of Farmers (NFF), the Ministry of Agriculture, Forestry, and Water Management, and the Ministry of Labour and Social Policy (MLSP) have signed the Declaration on Improving the Economic and Social Position of Women in Rural Areas that aims to contribute to the improvement of the situation in the area.
- the competent institutions have not implemented the proposed measures and the adopted conclusions of the Committee on Equal Opportunities for Women and Men of the Assembly for improvement of the situation of women in rural areas.

Investment in vocational training of women in rural areas and support for job creation.

- the data available to the Employment Service Agency (ESA) about the implementation of employment measures and training are not disaggregated by rural and urban areas, and therefore it is not possible to determine the participation of women from rural areas in these activities;
- we determined that the ESA does not carry out monitoring of the programmes and the effect of the measures and activities that support the training and inclusion of women in rural areas in the labour market to assess whether these activities have actually contributed to sustainable employment;
- the Programme for Social Security Support of Women Engaged in Agricultural Activities was adopted to ensure these women use maternity benefits when they are prevented to engage in agricultural activities due to childbirth;
- in 2023 the Government of the Republic of North Macedonia initiated preparatory activities for the implementation of the Project "50 Villages, 50 Stories";
- the measure "Investments in rural public infrastructure" under the IPARD Programme, which is anticipated to contribute to the enhancement of infrastructure in rural areas, the creation of conditions for the inclusion of women and girls in education and the labour market, as well as the enhancement of health services, has not yet been approved.
- the MAFWM has not conducted an analysis of the effect of the implementation of Measure 112 – Assistance to young farmers to start an agricultural activity, that is, its effects on strengthening and increasing the number of young farmers who have started an agricultural activity;
- the MAFWM has not carried out an evaluation of Measure 115 – Support for an active female member of an agricultural household, to determine the needs of possible interventions in the measure aimed at empowering of women as well as to track its effect and
- in rural areas only a small proportion of women are holders of property rights, which affects the application and approval of measures from the IPARD 3 Programme.



Investment in public services in rural areas (child care in kindergartens and homes for the elderly).

- insufficient childcare institutions in rural areas;
- lack of homes for the elderly in rural areas and
- since the process of receiving and processing applications for approval of measures from the IPARD Programme implemented by the Agency for Financial Support of Agriculture and Rural Development (AFSARD) is not automated, there is a risk of subjectivity in the process of processing these data.

The recommendations provided in this report refer to the measures and activities that the Government of the Republic of North Macedonia, the Ministry of Labour and Social Policy, the Ministry of Agriculture, Forestry and Water Management, the Employment Service Agency of the Republic of North Macedonia, the Agency for Financial Support of Agriculture and Rural Development should undertake to remove the causes of the established weaknesses, irregularities, conditions and potential risks presented in this report, take actions that will create conditions for improving the overall situation related to the gender equality of women in rural areas and their inclusion in the labour market.

We emphasise that the State Audit Office's audit team maintained continuous professional cooperation and communication throughout the entire auditing process. This was made possible by the persons designated to communicate with the audit team, as well as by the competent and responsible individuals in each of the institutions involved in the audited activities who expressed and presented a positive attitude toward the audit.

We also highlight that the State Audit Office maintained excellent cooperation and received support from the National Federation of Farmers throughout the auditing process, as well as during the field visits of rural women in the planning regions of the country.

The responsible person of the Agency for Financial Support of Agriculture and Rural Development and the responsible person of the Ministry of Labour and Social Policy submitted their replies and opinions to the State Audit Office on the Draft report of the Auditor General. After their consideration, it was concluded that the reply was a remark, which was partially accepted, while the opinion was actually a comment that the report contained relevant information and its preparation was highly appreciated.

INTRODUCTION



1. INTRODUCTION

Since the number of inhabitants in villages in the Republic of North Macedonia is decreasing, depopulation and limited opportunities for rural residents are becoming increasingly evident every day. Furthermore, the significance of rural women in ensuring the survival of villages and rural areas remains largely unnoticed and unrecognizable to the general public.

Rural women possess considerable power, strength, and a strong commitment to the advancement of their communities. Despite facing numerous obstacles, they remain the driving force behind food production, tradition preservation, combating climate change, and sustainable rural development. Therefore, their social and economic empowerment will contribute to the achievement of social well-being, economic development, an improved quality of life in rural areas, and sustainable communities.

When defining the term rural woman, the starting point should be the fact that our rural areas or villages are going through a notable process of deagrarianization¹ of the population; therefore, many people cannot be included in the category of “farmers”. The term “rural woman” is broader, while the term “farmer” or “female farmer” is narrower because it includes only the active members of this group of holders of agricultural holdings.

A better life for women in rural areas can only be ensured by achieving a number of identified priorities, including reducing the disparity between urban and rural areas, reducing gender inequality and creating conditions for equal access to rights, protection from discrimination, professional advancement, and economic stability for women living in rural areas.

It is imperative that the public institutions enhance their commitment to eliminating discrimination and guarantee equal access to rights for women in rural areas. They should also work to close the gender gap and facilitate the access of women, including those from rural areas and those actively engaged in agriculture, to formal employment and entrepreneurship. This will increase their ability to balance work and family responsibilities.

Rural women are key contributors to agricultural production, food security, the fight against climate change, entrepreneurship, and civic activism. Through their community action, they are agents of change in terms of employment opportunities, income generation and poverty reduction, which are crucial for the sustainable development of their communities.

1.1. Basis and reasons for performing the audit

The Annual Work Programme of the State Audit Office for 2023 includes a performance audit on the topic “Gender equality of women in rural areas through their inclusion in the labour market”.

The audit is planned to be conducted as a cooperative performance audit, in line with the implementation of the activities determined by the agreement between the State Audit Office and the Supreme Audit Institutions of the Republic of Albania and the Republic of Kosovo.

The audit topic is significant, from the point of view that it will help evaluate whether the measures and projects implemented by the competent institutions at the central level are efficient in ensuring the inclusion of women in rural areas in the labour market, thereby ensuring their effective participation in the economic and social development of rural areas.

¹ Deagrarianization is the process of abandoning agricultural activities as source of livelihood.

*All references to Kosovo should be understood to be in the context of UN Security Council Resolution 1244 (1999). For the European Union, this designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

1.2. Subject of audit

The subject of the audit is directly related to Goal 5 of the 2030 Agenda for Sustainable Development of the United Nations. The 2030 Agenda provides a universal framework for strengthening collective action towards common goals and challenges for shared prosperity and fulfilment of our intergenerational responsibilities, which can only be achieved through collaborative partnerships involving all countries and all stakeholders through the 17 Goals set out in the Strategy. Gender equality is one of the central topics in the 2030 Agenda for Sustainable Development. Namely, it emphasizes that “realizing gender equality and the empowerment of women and girls will make a crucial contribution to progress across all the Goals and targets”, and it insists on the systematic inclusion of the gender perspective in the overall implementation.

Many of the Sustainable Development Goals specifically target rural women and women who are actively engaged in agriculture as a crucial link in achieving socio-economic development and a sustainable future.

Despite the fact that gender equality is considered a horizontal issue that should be addressed in the realization of the Goals in general, a specific Goal 5 is included, which is specifically aimed at achieving gender equality. This goal is aimed at empowering women and girls and realizing their full potential, which inevitably necessitates the elimination of all forms of sex-based and gender-based violence. Moreover, Goal 5 aims to facilitate the advancement of sexual and reproductive health among women and girls, acknowledgement of unpaid domestic work, equitable access to resources, and equal participation in political, economic, and public life.

Gender inequality between women and men is particularly pronounced in rural areas. Rural women make a significant contribution to the development of rural communities in all regions, but they face more constraints than men in accessing key productive resources such as land and services and also in accessing finance, right to ownership of property,

land or equipment and aids. They face discrimination in terms of their participation in the labour market and the compensations, i.e. salaries for their work engagement, unpaid housework, a low level of involvement in family decision-making, etc.

The following Figure 1 depicts the situation of employed persons in the country based on their economic status, gender, urban and rural area.²

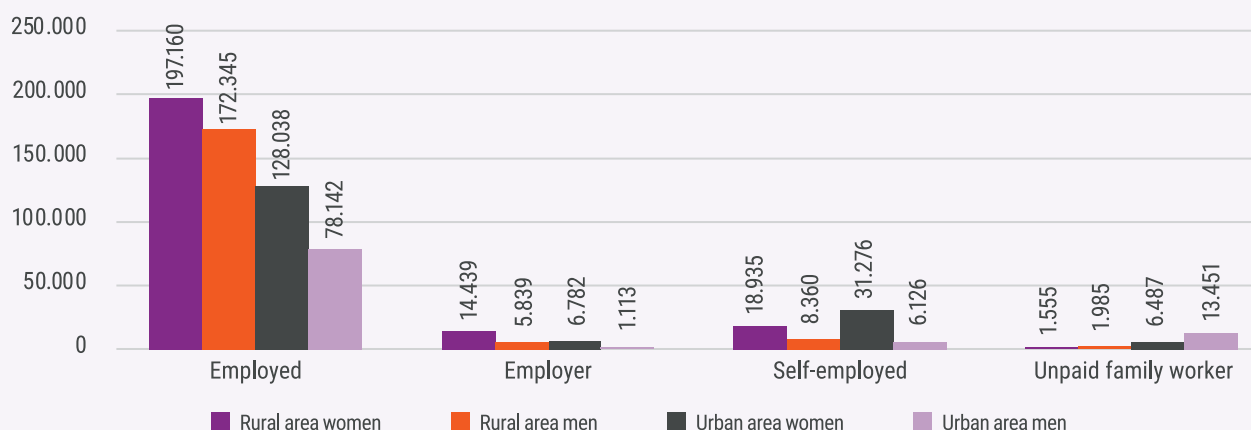
Based on the data presented in Figure 1, it can be observed that women in rural areas are found to be underrepresented in the categories of employed, employers, and self-employed, in comparison to the other categories. However, they dominate the group of unpaid family workers.



Rural environment, the village of Gorno Kosovrasti – Municipality of Debar

² Data source: State Statistical Office.

FIGURE 1. EMPLOYED BY ECONOMIC STATUS AND GENDER, URBAN AND RURAL AREA, 2022



Equal access to resources and opportunities, as well as full participation of women in household and community decision-making, lead to progress and prospects for future generations, thereby reducing poverty for future generations and contributing to long-term socio-economic development. Therefore, it has been identified that closing the gender gap in access to assets, resources, services, and opportunities is one of the most effective approaches to combating rural poverty.

Rural women bear a significant responsibility for the upbringing and advancement of the upcoming generations, as well as the survival of rural areas. However, they are left without the support of stakeholders in society, despite facing numerous challenges on a daily basis. It is time to recognize their significant contributions to our families, communities, and country, and ensure that they are supported and protected as equal members of society.

1.1.1. Conditions in rural areas and characteristics of the rural economy

Agriculture is the most significant economic activity in rural areas that contributes to the reduction of poverty and unemployment. One-fifth of the rural population, or 24.2%, lived below the poverty rate in

2017. Comparison of solely agricultural households, mixed households with at least one family member employed outside the agricultural sector, and households with non-farm livelihood shows that mixed households have the highest income, followed by agricultural-only households, while non-agricultural rural households rank as the poorest. It has been estimated that approximately 30% of farmers or members of agricultural households are self-employed, employed in manufacturing, or in the public sector. The employment or self-employment that occurs outside of agriculture pertains to trade, construction, or services. The majority of women from rural areas are employed in the textile industry. Between 2017 and 2019, an average of 45% of the total number of employed persons in the country (342,474) were employed in rural areas. Of these, 19% were self-employed, and 12% were unpaid family workers. With a share of only 35%, the disparity in the employment of women in rural areas remains significant and significantly higher than in urban areas, where their participation is more balanced and amounts to 43% in favour of women. The substantial proportion of rural women who are not active in the labour market is attributed to their **involvement in household duties, such as child care, care for elderly family members, and other domestic duties that constitute unpaid labour**. Access to resources and opportunities for economic and social empowerment of men and

women in rural areas is limited, so the share of women holders of agricultural holdings within the total number of farmers is only 10.4%, and 12.01% of women are landowners, with a low level of participation in the decision-making process relevant to production activities. Due to the unfavourable position of women as a proportion of the labour force and in terms of family income, young women in rural areas generally do not see their future in agriculture and are willing to remain in rural areas only if they can secure another type of employment³. Apart from fruit and vegetable purchasers and processors and export-oriented wineries, the majority of businesses in rural regions are small business focused on meeting the needs of local or regional markets. As regards larger facilities, almost the entire food processing industry (except for meat processing facilities and slaughterhouses) is located in rural areas. In general, industry development in all regions is limited by the quality of road and business infrastructure and increasingly by the lack of skilled labour. Rural areas have the potential for development of rural tourism, but it is still underdeveloped (only 4% of the total accommodation facilities are located in rural areas). Almost half of the country's territory has the potential for developing attractive tourist products. Local Self-government Units have recognized natural and cultural heritage as a potential for development of rural tourism and they have listed it among the goals in their strategies for local economic development. Crafts have also been identified as a sector that could contribute to income and job creation, especially in more isolated rural areas that are less attractive to other businesses. However, faced with mass industrial production, this sector has been stagnant in recent years and there is a tendency towards the extinction of a large number of traditional crafts. The rural population, in contrast to the population in urban areas, is deprived of access to banking services, postal services, cultural amenities, and basic transport services that are either unavailable or difficult to access for the population in rural areas. It is imperative to improve the road network in rural areas, both in lowland villages and mountain villages.

Access to education for children in rural areas is at a satisfactory level as far as primary schools are concerned. In contrast, distance from schools has a negative impact on secondary education. The quality of physical and social infrastructure in rural areas has declined over the past few decades as a result of insufficient investment in development and maintenance. Despite the ongoing investments made by the Government and local authorities in the modernization and expansion of the road infrastructure, the current state of the road network remains unsatisfactory in comparison to the more advanced neighbouring countries and the EU average. Small and economically weak rural municipalities face significant challenges in maintaining quality and accessibility to basic services, particularly in settlements with a smaller population. This leads to a greater dissatisfaction with the standard of living among the rural population as compared to those who reside in urban areas. Therefore, it is essential to improve the physical infrastructure and basic services in rural areas in order to improve the standard of living and, consequently, their competitiveness and capacity to retain a younger and more educated populace and attract investment. Due to the current situation, intensive and dynamic migration processes in different directions are taking place in rural areas. According to the "Strategy for Balanced Development 2020 - 2030", in the period from 2014 to 2019, 35.1% of internal migrations were migrations from rural to urban areas, 21.6% were from urban to rural areas, inter-rural migrations accounted for 34.7%, and inter-urban migrations for 8.6%. Furthermore, 43.7% of the total immigration was to the Skopje planning region, the only region with a positive migration balance. Women constitute the largest proportion of total internal migration, with a participation rate exceeding 70% across all regions⁴.

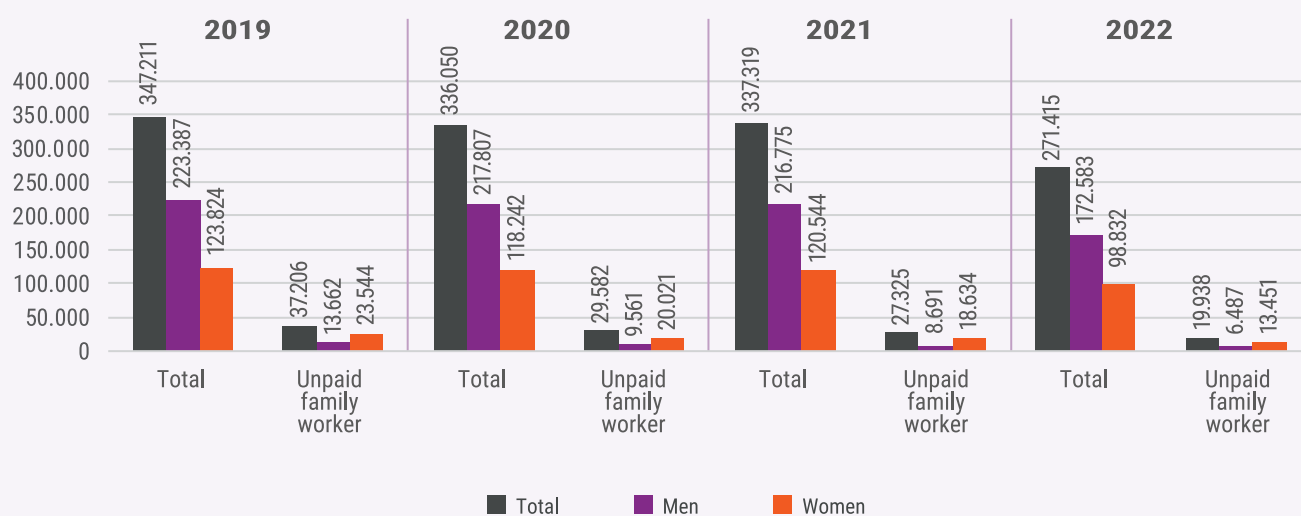
The following Figure 2 depicts the situation by type of employed persons according to their economic status, gender and rural area for the period 2019-2022.⁵

³ Excerpt from the research "Measuring women's empowerment in agriculture with survey-based and experimental economics method" 2019, UN Women and Faculty of Agricultural and Food Sciences.

⁴ National Strategy for Agriculture and Rural Development 2021-2027.

⁵ Data source: State Statistical Office.

FIGURE 2. EMPLOYED BY ECONOMIC STATUS AND GENDER, RURAL AREA, 2019 - 2022



1.3. Strategic documents

In order to facilitate the planning and inclusion of women from rural areas in the labour market at the national level, a series of medium and long-term planning documents and strategies are developed and implemented. They are focused on diverse sectors,

however, they also encompass women from rural areas to a certain extent, such as the Strategy for Gender Equality, the National Strategy for Agriculture and Rural Development, and the National Strategy for Employment.

1.4. Institutional framework for the audit

The main activities for the implementation of the measures, activities, and policies related to the inclusion of women in rural areas in the labour market are carried out by the Government through the ministries and other competent institutions and

bodies, such as the MLSP, MAFWM, AFSZRD, and the ESARNM that are covered by this audit, as well as other competent institutions at the national, regional and local level.

1.5. Funding of activity

Several institutions in the country are responsible for funding the process of inclusion of women in rural areas in the labour market, which through their programmes, measures and activities provide financial resources for financing of these processes, specifically the Ministry of Labour and Social Policy, Ministry

of Agriculture, Forestry and Water Management, Agency for Financial Support of Agriculture and Rural Development, Employment Service Agency, which are presented in more detail in section 3 of this report - Audit findings.

AUDIT OBJECTIVES, SCOPE AND METHODOLOGY



2. AUDIT OBJECTIVES, SCOPE AND METHODOLOGY

2.1. Audit objectives

The audit objective is to assess whether the measures and projects implemented by the competent institutions at the central level are efficient in ensuring the inclusion of women in rural areas in the labour market, thus ensuring their effective participation in the

economic and social development of rural areas, as well as to provide recommendations for overcoming the determined situation in order to achieve added value from the audit.

2.2. Audit questions

A performance audit was conducted as an effort to assess the gender equality of rural women through their inclusion in the labour market and to answer the main audit question:

“Are the measures and projects implemented by the competent institutions at the central level efficient in ensuring the inclusion of women in rural areas in the labour market, thereby ensuring their effective participation in the economic and social development of rural areas?”

The specific objectives for the defined areas are:

- To evaluate whether conditions have been created for the inclusion of women in rural areas in the labour market;
- To assess the degree of investment in vocational training of women in rural areas and the support for job creation and
- To assess the investment in public services in rural areas (child care in kindergartens and homes for the elderly).

2.3. Audit scope

Although the performance audit covered the national strategies, policies and programmes, as well as the measures and activities implemented in the period from 2019 to 2022, it also examined certain prior and subsequent issues and events up until the reporting date of audit.

The audit covered the following entities:

- Government of the Republic of North Macedonia;
- Ministry of Labour and Social Policy;
- Ministry of Agriculture, Forestry and Water Management;
- Agency for Financial Support of Agriculture and Rural Development;
- Employment Service Agency of the Republic of North Macedonia and
- National Federation of Farmers of the Republic of North Macedonia.

The State Statistics Office was involved in the audit to provide statistical data on the subject of the audit.

The selection of the institutions covered by the audit was carried out based on their competence in the implementation of measures, activities, and projects related to rural areas, rural women, or the inclusion of women from rural areas in the labour market.

According to the risks determined following the collection of preliminary information, and based on a selected sample, we conducted on-site visits to women from rural areas in the planning regions of the Republic of North Macedonia to collect additional information based on implementation of a survey, distribution of questionnaires and conducting interviews with the support of the National Federation of Farmers.

2.4. Audit criteria

Current laws and by-laws, strategic documents, collected data, information, statistical reviews, and other

documents listed in point 1.3 of this report were used as criteria for this audit.

2.5. Audit methodology

2.5.1. The performance audit was performed in accordance with the ISSAI standards of INTOSAI on performance auditing and the Code of Ethics of the State Audit Office.

2.5.2. In this performance audit, we decided to employ a combined approach consisting of a system-oriented approach and a result-oriented approach. The application of the system-oriented approach allowed us to identify the stakeholders involved in the process of inclusion of rural women in the labour market, while the application of the result-oriented approach allowed us to evaluate the results achieved by the subject of the audit.

2.5.3. In order to obtain relevant and sufficient audit evidence that would lead to audit findings, conclusions, and recommendations, the methodology and techniques for performance audit were applied:

- examination of legal and other regulations, strategic and planning documents in the area that is subject to auditing,
- discussions/interviews with persons relevant to the audit topic,
- questionnaires for the relevant entities,
- review of documentation,
- data and information analysis,
- physical observation and on-site inspection including taking photos and
- internet research.

2.5.4. In accordance with the legal regulations and the International Auditing Standards, an external expert from UN Women was also consulted for certain issues related to gender equality for the audit needs.

2.5.5. The performance audit was conducted during the period from 16.03.2023 to 28.12.2023, by a team of the State Audit Office.

2.5.6. The results of the conducted performance audit were presented at the closing meeting with representatives of the audited entities, held on 22 January 2023.

The responsible person of the Agency for Financial Support of Agriculture and Rural Development and the responsible person of the Ministry of Labour and Social Policy submitted their replies and opinions to the State Audit Office on the Draft report of the State Auditor. After their consideration, it was concluded that the reply was a remark to point 3.3.3., which was partially accepted, and the opinion was actually a comment that the report contained relevant information and its preparation was highly appreciated.

AUDIT FINDINGS



3. AUDIT FINDINGS

3.1. Created conditions for inclusion of women in rural areas in the labour market

3.1.1. The Strategy for Gender Equality 2022-2027⁶, which is the fourth strategic document in this area, was adopted to establish a comprehensive framework of activities for promotion of gender equality and advancement of the status of women. The Strategy outlines three goals:

1. establish an effective and efficient system for promoting gender equality at the central and local level;
2. improve the position of women in all areas of public and private life and
3. combat gender stereotypes and build a culture of non-violence and non-discrimination based on sex, gender and gender identity. The Strategy includes objectives and indicators for achieving the goals.

The Strategy, as a key strategic document, identifies priorities by area. Among the listed priorities is agriculture, in relation to which it is established that in rural areas, women's empowerment is needed in terms of managing agricultural property and land, as well as building their self-confidence and capacities for decision-making. The empowerment of women in rural areas should also be aimed at building their capacities and knowledge for applying to programmes for financial support in agriculture, and to other programmes that offer opportunities for starting own business and self-employment, as well as diversification of activities in rural areas and contribution to their sustainability by starting small businesses (which are not primarily related to agriculture) such as local hairdressers, shops for making and selling traditional products, development of rural tourism, etc.

Measures are also envisaged for the transition of women from the informal to the formal economy, that is, for formalization of their work. Furthermore,

measures need to be adopted to increase the number of registered female farmers and holders of agricultural holdings with appropriate valuation of their work, as well as legal amendments to recognize their rights to social benefits, including sick leave, parental leave and pensions.

The National Plan for Gender Equality 2022 - 2024 was adopted by the Assembly on 27.07.2022 as a document that defines the implementation of the National Strategy for Gender Equality 2022 - 2027, by defining the activities, the indicators for the activities, the responsible entities for their implementation, the time frame and the allocated funds for the implementation of the activities determined by the Strategy, all of which are aimed at promoting gender equality and advancing the status of women. The Action Plan envisages the following measures and activities:

- implementation of field activities (public debates, informational meetings) to introduce employment opportunities to women in rural areas and encourage their association in cooperatives. The responsible agency for these activities is the MAFWM, with participation of the ESARNM and the NFF, and an implementation period 2023-2024;
- increase the number of services for children and the elderly in rural areas, at the municipal level. The responsible agency is the MTSP, and the goal is to build new kindergartens in the municipalities in the period 2023 - 2024;
- implement campaigns to combat gender stereotypes in rural areas, organize an international conference of rural women from the Balkans to share information and experience regarding the transition from the informal to the formal economy, initiate a proposal - legal provisions to increase the number of women owners of real estate in the codification of the Civil Code. The responsible agency for these activities is the MAFWM and the implementation period is 2022-2024;

⁶ Official Gazette of the Republic of North Macedonia № 170 of 28.07.2022.

- develop a programme for social security support of women engaged in agricultural activities, for which the responsible agencies are the AFSARD and the MAFWM, and the implementation period is 2023, and
- implementation of Measure 115 – Support of an active female member of an agricultural household, for which the responsible agencies are the MAFWM and the AFSARD, and the implementation period is 2023.

The National Action Plan for the implementation of the Strategy for Gender Equality 2022–2024 has been developed, however, it has not yet been approved by the Minister of the MLSP. The Action Plan includes the activities, indicators, the responsible entities for the activities, the time frame and the required budget for the implementation of the activities aimed at achieving the goals and objectives set by the Strategy.

Based on the audit performed, we determined that some of the activities are currently being implemented, despite the fact that the National Action Plan has not been adopted, for example the Measure 115 – Support of an active female member of an agricultural household, which was first implemented in 2019 in accordance with the Programme for Financial Support of Rural Development. In addition, the Programme for Social Security Support of Women Engaged in Agricultural Activities 2023 was adopted and the MTSP annually adopts a programme for construction, equipment and maintenance of child protection institutions and a programme for construction, equipment and maintenance of social protection institutions and homes for the elderly, as mandated by the Law on the Execution of the Budget of the Republic of North Macedonia.

Based on the examination of the National Action Plan for Gender Equality 2018–2020 for the implementation of the Strategy for Gender Equality 2013–2020, it has been determined that it comprises an activity for the development of plans and programmes to enhance the inclusion of women in rural areas in the labour market. The responsible institutions are the MLSP, the ESARNM, the MLSG, and civic associations and the implementation of these activities is scheduled for 2020.

However, the NAP does not specify how this activity is planned to be carried out, and due to the Covid-19 crisis, an Operational Plan for the implementation of the Action Plan for Gender Equality of the MLSP for 2020 has not been adopted, and the planned activity has not been implemented. The Strategy for Gender Equality 2022–2027 does not include such activity.

The fact that the National Action Plan for the implementation of the Strategy has not yet been adopted may affect the timely implementation of certain measures and activities, as well as their monitoring and evaluation, in relation to women in rural areas, taking into account the significance of these activities and their impact on the development of rural areas, and thus, on improving the situation of rural women.

3.1.2. The National Strategy for Agriculture and Rural Development 2014 – 2020, i.e. its operational plan, is implemented through the five-year National Programme for Agriculture and Rural Development, the IPARD Programme 2014 – 2020 and the Government’s annual programs for financial support in agriculture and financial support of rural development.

It is planned that the regular monitoring of the implementation of the Strategy will be carried out based on the submission of annual information to the Government prepared by the MAFWM.

In 2017, at the mid-point of the Strategy implementation period, it was planned to conduct an analysis of the status of the Strategy implementation and the effects of the implemented policies and, subsequently, based on the findings of analysis, update the text of the Strategy.

The review of the achievement of the strategic commitments and the updated text of the Strategy were scheduled to be submitted to the Government for approval by June 2017 at the latest.

The procedures for mid-term evaluation of the implementation of the National Strategy and its update should have been regulated as an obligation in the Law on Agriculture and Rural Development.

In relation to the implementation, achievement and monitoring of the National Strategy, the audit determined the following:

- the National Strategy includes an Operational Plan for its implementation, which outlines the policies and measures for each area of intervention, presented in terms of the competent body for their implementation, time frame, expected results with indicators and the indicative amount of funds and the source of financing. The expected results, namely, the indicators, are presented in a narrative format, rather than with quantitative and qualitative indicators, rendering their evaluation and comparison cumbersome, as well as the identification of the prevailing tendencies and trends of development;
- regular monitoring of the Strategy implementation was not carried out by submitting annual information to the Government prepared by the MAFWM by the end of the current year and
- no analysis has been conducted on the implementation of the Strategy and the effects of the implemented policies and evaluation, and no amendments to the Law on Agriculture and Rural Development have been initiated, to ensure that the mid-term evaluation and update of the Strategy will become a legal obligation.

The above-mentioned conditions do not allow the monitoring of the implementation of the activities to measure the fulfilment of the indicators/objectives of the Strategy, as a basis for further development planning in agriculture and rural development.

The National Strategy for Agriculture and Rural Development 2021 - 2027 envisages that in 2024, at the mid-point of the Strategy implementation period, an analysis of the implementation, specifically of the achieved effects and results of the implemented policies, will be conducted, based on which the Strategy will be accordingly updated. When the Strategy period ends, an ex-post evaluation of the Strategy implementation will be conducted. Additionally, the evaluation will provide lessons learned to identify gaps and challenges, as well as the potential for further improvement of the interventions in order to maximize their future impact.

3.1.3. The goal of the **National Employment Strategy of the Republic of Macedonia 2016 - 2020** is

to "Increase employment, the quality of employment, the quality of jobs and productivity, with a specific focus on vulnerable groups of the population." The goal is expected to be achieved through the fulfilment of the following objectives:

- objective 1 - Increase the effectiveness and efficiency of employment policies, with specific support for vulnerable categories of the population;
- objective 2 - Improve the capacity of the private sector for job creation and
- objective 3 - Education produces knowledge and skills in line with the employers' needs.

In the section on "challenges to increasing employment, the standard of living and productivity" it was determined that inactivity among women is disproportionately prevalent among young women, women in rural areas, and unskilled women, with one of the primary reasons for women's inactivity being their household responsibilities, and the fact that women (particularly those with lower levels of education, women in rural areas) are a vulnerable category in the labour market. Women's inactivity in the labour market is mostly due to the performance of family obligations.

The achievement of objectives is expected to result in increased participation of the vulnerable categories in the active labour market measures (persons unemployed for more than 2 years, beneficiaries of social financial assistance and members of households, women survivors of domestic violence, persons with disabilities and reduced work ability). When targeting active measures, priority will be given to vulnerable groups of the population, who have a limited chance of finding work on their own. In addition to focusing on young people, active measures will provide greater subsidies and privileges for these vulnerable categories of citizens.

The Strategy states that inactivity among women is disproportionately prevalent among women in rural areas and that the analysis of the labour market has shown that women (particularly those with a low level of education, from rural areas), young people, long-term unemployed persons and poverty-stricken people (recipients of social financial assistance) are linked with a low probability of finding a job (if they are

active), and some of them are also linked with a low probability of being active in the labour market.

Despite the fact that the issues and challenges faced by women in rural areas in terms of their inclusion in the labour market are identified in the Strategy and they are acknowledged as a particularly vulnerable category in the labour market, they are not acknowledged as a vulnerable group in the outcomes of the objectives that should contribute to the achievement of the overarching goal of increasing employment, quality of jobs, and productivity. This results in a lack of specific measures for employment and training tailored to the needs of women in rural areas and aimed at ensuring their inclusion in the labour market.

The adopted National Employment Strategy of the Republic of North Macedonia 2021 - 2027, together with the Employment Action Plan 2021 - 2023, do not include any activities related to women in rural areas, i.e. specific objectives and measures for inclusion in the labour market related to training and employment opportunities for women in rural areas.

3.1.4. The Law on Agriculture and Rural Development⁷ envisages the establishment of a **National Rural Network** in 2012, as a platform for establishing partnerships with all interested parties operating in rural areas for the purposes of planning, monitoring and implementation of the National Programme for Rural Development.

The National Rural Network was established after 10 years, that is, the first constitutive session of the Governing Board was held in February 2023.

In 2022, a Regulation on the establishment, organization, membership and operation of the National Network⁸ was adopted, which defines the role and goals of this Network, more specifically:

- increase the involvement of interested parties in the implementation of the National Programme for Agriculture and Rural Development;
- inform the general public and potential beneficiaries about the policy for rural development and the possibilities for co-financing of projects
- encourage innovation in agriculture, food production, forestry, and the sustainable development

of rural areas, rural communities and rural regions and

- ensure that the National Rural Network operates in rural areas, rural communities and rural regions on the territory of the Republic of North Macedonia.

On the Network's website it was reported that it had 401 members at the time of the audit. Specifically, the members of this Network include the planning regions, legal entities, non-governmental organizations, and natural persons engaged in agriculture as an additional activity.

This situation affects the overall development process of rural areas, taking into account the function, role and competencies of the National Rural Network, in increasing the involvement of all stakeholders in the implementation of the National Programme for Agriculture and Rural Development.

The untimely establishment of the National Rural Network also affected the informing of the general public and potential beneficiaries about the rural development policies and the possibilities for project co-financing, as well as about the sustainable development of rural areas, rural communities and rural regions. Nonetheless, we believe that its operation will contribute to a greater involvement of rural women in the measures of the National Programme.

3.1.5. The audit team performed an analysis of the adopted **Decisions on determining the strategic priorities of the Government for the period 2019-2024**. The audit determined that the Decisions on determining the strategic priorities of the Government for 2019, 2020, 2021, 2022, 2023 and 2024 do not include any specific priorities or goals related to establishing an effective and efficient system for the inclusion of women in rural areas in the labour market.

The absence of specific priorities and goals for the development of rural areas and the inclusion of women in rural areas in the labour market impacts the effectiveness of the implementation of the process of inclusion of women in rural areas in the labour market and the advancement of gender equality.

⁷ Official Gazette of the Republic of Macedonia №. 126 of 10.10.2012.

⁸ Regulation №. 40-10099/1 of 23.11.2021.

The above points to the need to undertake additional activities for inclusion, that is, define and specify strategic priorities and goals that should be directly related to the development of rural areas and the inclusion of women in rural areas in the labour market.

3.1.6. The adopted National Strategy for Agriculture and Rural Development 2014–2020, specifically in the section on **Revival of depopulated rural areas**, states that in order to initiate a more significant process of revitalization, the Law on Agriculture and Rural Development provides the opportunity to adopt specific legal solutions to support the almost completely abandoned areas or areas in the phase of significant depopulation that constitute a geographical territory of significant size in relation to the total territory of the country (up to 4%). The regions with such characteristics are Mariovo, Porechje, the Maleshevo Region, the Mavrovo–Reka Region, Demir Hisar, the Vitachevo plateau and Azot. As regards these rural regions in the Republic of North Macedonia, it was envisaged within the framework of specific laws to define a special set of policies and measures to ensure the coordinated approach of different ministries, bodies, and local administration to achieve the basic conditions for their revival.

The purpose of adopting the specific legal solutions is to provide greater support for encouraging economic activities and infrastructure investments by designing a specific package of measures tailored to the needs of each region, as well as by simplifying the implementation of various coordinated policies that should contribute to the revitalization of these areas.

Before the specific legal solutions are adopted, it was planned to conduct studies including comprehensive economic and social analyses of the development potential of each region, based on which the policies and measures for economic and population revitalization of the regions that best correspond to the real conditions in the region would be defined for each region. The emphasized policy areas that would be covered by studies and law would be as follows:

- provision of basic infrastructure and living conditions;
- utilization of natural resources – ores and mineral raw materials, forests, pastures and waters;
- energy production from renewable sources;

- starting economic activities, primarily centered around agriculture and animal husbandry, hunting and fishing;
- processing of agricultural products;
- rural tourism and creation of more favourable conditions for the gradual return of the population, especially intended for young families originating from these regions.

Based on the conducted audit, it was determined that the required analyses have not been conducted and special laws have not been adopted to support the completely abandoned areas or areas in the phase of significant depopulation to achieve the basic conditions for their revival.

The National Strategy for Agriculture and Rural Development 2021 – 2027 does not envisage such activities, while in the National Programme for Agriculture and Rural Development 2023 – 2027 states that in the following period, efforts will be made to introduce stronger policy instruments intended for the distinctly depopulated rural areas and their revitalization. However, it does not describe in more detail the methods of implementation.

3.1.7. The Law on Agriculture and Rural Development stipulates that the MAFWM shall inform the Government on the implementation of the National Programme for Agriculture and Rural Development, the Annual Programmes for Financial Support in Agriculture and the Annual Programmes for Financial Support of Rural Development with an **Annual Implementation Report** no later than 31 March in the current year for the previous year, which shall include:

- current analysis of general development conditions in the field of agriculture and rural areas,
- a report on the achievement of the goals determined in the National Strategy and the National Programme,
- report on the implementation of the programmes for financial support, including state aid, and the results achieved,
- activities undertaken by the Ministry and the Agency for the advancement of procedures for the implementation of the programmes for financial support and state aid,

- report of conducted controls and inspections and determined inconsistencies in the implementation of the programmes for financial support and state aid and actions taken and
- description of the activities undertaken by the Ministry and the Agency for communication and publicity of the programmes for financial support.

Namely, the MAFWM should receive this information from the AFSARD, which is the responsible institution for the execution of the funds for the corresponding measures.

The aforementioned law stipulates that the AFSARD shall submit information to the MAFWM every three months, while the type of information, the time limits and the method of its submission and collection shall be prescribed by the minister.

Based on the examination of the documentation, it was determined that the MAFWM had not adopted an act that would determine the type of information and the method of its collection and submission, which prevents the AFSARD from implementing its legal competencies in relation to the submission of information on the implementation of the measures. It is an established practice that the AFSARD submits requested information to the MAFWM according to the timing, type, content and method determined in the oral or written (letter or e-mail) request that the MAFWM sends to the responsible employee of the AFSARD. Due to the above-stated circumstances, the MAFWM does not prepare and submit an annual report to the Government.

This situation results in the MAFWM lacking complete and timely information regarding the payment of funds for the measures and control over the implemented measures, which is essential for objective planning, monitoring the implementation, and evaluating the effects of the measures and instruments on the legally defined objectives of the Republic of North Macedonia's national policy in the area of agriculture and rural development.

3.1.8. In 2018, the National Federation of Farmers, the Ministry of Agriculture, Forestry and Water Management and the Ministry of Labour and Social Policy signed a **Declaration on improvement of the economic and social position of women in rural areas**, aimed at achieving gender equality and empow-

erment of women and girls in rural areas, as well as raising the awareness of policy-makers at the national and local level about the position of women in rural areas, to ensure their economic and social empowerment and sustainable development of rural areas based on the established goals. The goals include improving economic and social security and empowerment through the establishment of mechanisms for education and raising awareness of women in rural areas, developing measures to increase the possibility of employment, measures for recognizing unpaid work for family care, providing solutions for women who have not fulfilled their pension rights, encouraging women for greater participation in local and national decision-making and policy-making process, and improving the availability of public services, in line with the achievement of the Sustainable Development Goals and the 2030 Agenda.

To achieve the goals of this Declaration, several steps have been taken to improve the situation of women in rural areas. Specifically, the established criteria for Measure 115 – Support for an active female member of an agricultural household, which were determined to contain discriminatory elements, were modified (explained in greater detail in point 3.2.6), and for the first time the Programme for Social Security Support of Women Engaged in Agricultural Activities was introduced (explained in greater detail in point 3.2.2.).

The achievement of the goals defined in the Declaration by the competent state institutions will contribute to the improvement of the condition of women in rural areas, while the effective implementation of the goals by the competent institutions will contribute to the improved efficiency in the process of inclusion of women in rural areas in the labour market, and thus to greater gender equality.

3.1.9. The audit team performed an analysis of the situation of the settlements in the Republic of North Macedonia according to the data from the State Statistical Office and determined that out of a total of 1781 settlements:

- 205 settlements, representing 12% of the total settlements, are depopulated;
- 218 settlements, representing 12% of the total settlements, have less than 10 residents;
- 684 settlements, representing 38% of the total settlements, have less than 100 residents.

The total number of depopulated settlements and settlements with less than 10 or 100 inhabitants is 1107, which represents 62% of the total settlements in the Republic of North Macedonia. The situation of settlements is presented in greater detail in Figure 3 below.

Based on the 20 questionnaires submitted and on-site interviews conducted with women in rural areas in the planning regions, the audit determined that the greatest challenges faced by the population in rural areas were the lack of infrastructure, water supply, sewerage, public transport, health care facilities, kindergartens, homes for the elderly, social institutions, etc. Women who live in rural areas that are in close proximity to cities have easier access to public services, unlike those who live in more distant (mountainous) rural areas that do not have organized transportation to the nearest cities to meet their daily needs, which is why they are at the highest risk of extinction.

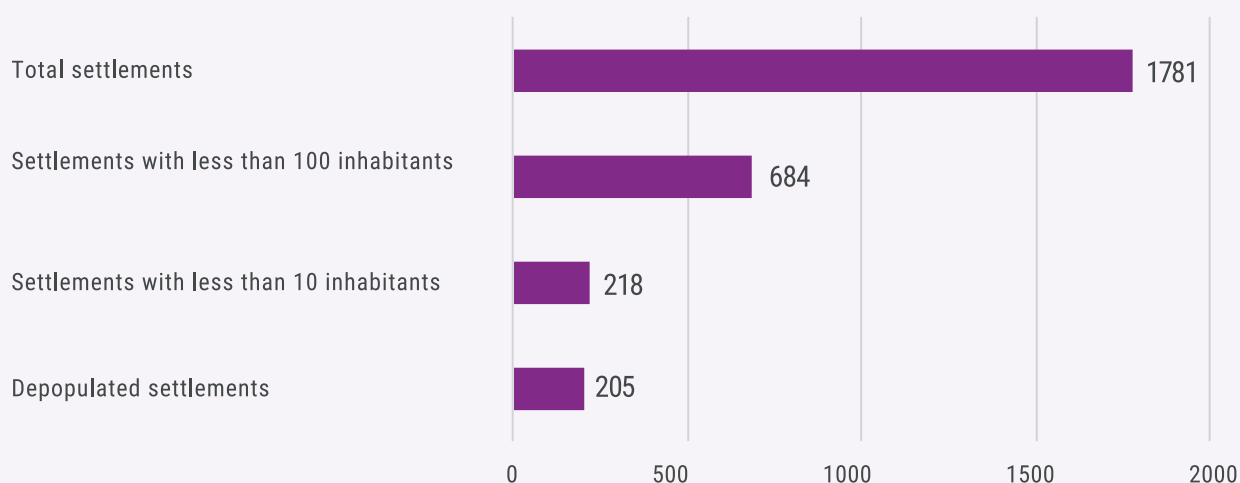
It should also be noted that the majority of young people do not see the prospect of a better life in rural areas and tend to move to urban areas or places with better living conditions.

These circumstances also have an impact on the process of emigration among young people aged 15 to 29, as illustrated in Figure 4 below, which presents comparative data from 2021 in comparison to 2002 on the emigration of young people by municipality in the country.

Comparative data on the situation of young people aged 15 to 29 in the Republic of North Macedonia from the 2002 census in relation to the 2021 census.

Taking into account the described situation, it was determined that the government policies, measures and projects were not sufficiently effective to keep the rural population, particularly rural women in rural areas. Therefore, in the coming period the government and the municipalities in the Republic of North Macedonia should undertake urgent measures and projects to improve these conditions, as well as create job opportunities to retain the population in rural areas and create suitable living conditions in rural areas.

FIGURE 3. SETTLEMENTS IN THE REPUBLIC OF NORTH MACEDONIA



Municipality	Young people aged 15-29 in 2002	Young people aged 15-29 in 2021	Number of emigrants	Percentage difference
Mavrovo i Rostushe	2.237	767	1.470	-65,7
Novo Selo	2.497	905	1.592	-63,8
Centar Zhupa	1.933	763	1.170	-60,5
Zrnovci	721	315	406	-56,3
Vinica	4.784	2.320	2.464	-51,5
Delchevo	4.102	1.992	2.110	-51,4
Kratovo	2.288	1.132	1.156	-50,5
Lozovo	662	336	326	-49,2
Pehchevo	1.163	605	558	-48,0
Cheshinovo Obleshevo	1.563	815	748	-47,9
Makedonska Kamenica	2.061	1.085	976	-47,4
Kichevo	14.324	7.542	6.782	-47,3
Debrca	936	503	433	-46,3
Probishtip	3.642	2.007	1.635	-44,9
Kriva Palanka	5.051	2.791	2.260	-44,7
Gostivar	20.978	11.610	9.368	-44,7
Berovo	3.013	1.700	1.313	-43,6
Konche	874	494	380	-43,5
Tearce	5.701	3.231	2.470	-43,3
Sveti Nikole	4.159	2.375	1.784	-42,9
Bogdanci	1.994	1.145	849	-42,6
Vrapchishte	6.882	3.963	2.919	-42,4
Zelenikovo	1.058	614	444	-42,0
Dojran	767	450	317	-41,3
Centar	9.847	5.798	4.049	-41,1
Kochani	8.695	5.129	3.566	-41,0
Aerodrom	18.463	10.895	7.568	-41,0
Gradsko	855	506	349	-40,8
Demir Kapija	1.016	608	408	-40,2
Valandovo	2.802	1.682	1.120	-40,0
Veles	12.738	7.787	4.951	-38,9
Makedonski Brod	1.443	883	560	-38,8
Vasilevo	3.115	1.921	1.194	-38,3
Gevgelija	5.226	3.241	1.985	-38,0
Strumica	13.212	8.270	4.942	-37,4
Bogovinje	7.728	4.843	2.885	-37,3
Bosilovo	3.195	2.005	1.190	-37,2
Debar	5.216	3.284	1.932	-37,0
Shtip	11.223	7.076	4.147	-37,0
Struga	16.356	10.320	6.036	-36,9

Municipality	Young people aged 15-29 in 2002	Young people aged 15-29 in 2021	Number of emigrants	Percentage difference
Ohrid	12.962	8.195	4.767	-36,8
Radovish	6.620	4.196	2.424	-36,6
Jegunovce	2.602	1.663	939	-36,1
Zhelino	6.814	4.355	2.459	-36,1
Novaci	621	398	223	-35,9
Resen	3.524	2.271	1.253	-35,6
Bitola	20.665	13.320	7.345	-35,5
Demir Hisar	1.661	1.106	555	-33,4
Kavadarci	8.924	5.959	2.965	-33,2
Prilep	16.870	11.452	5.418	-32,1
Mogila	1.335	909	426	-31,9
Negotino	4.485	3.120	1.365	-30,4
Staro Nagorichane	804	574	230	-28,6
Rankovce	837	598	239	-28,6
Kumanovo	25.771	18.720	7.051	-27,4
Brvenica	3.914	2.853	1.061	-27,1
Krushevo	2.042	1.496	546	-26,7
Gazi Baba	17.112	12.600	4.512	-26,4
Rosoman	890	670	220	-24,7
Gjorche Petrov	9.511	7.177	2.334	-24,5
Krivogashtani	1.219	923	296	-24,3
Karbinci	804	611	193	-24,0
Vevchani	555	428	127	-22,9
Petrovec	2.148	1.691	457	-21,3
Tetovo	22.090	17.487	4.603	-20,8
Plasnica	1.219	977	242	-19,9
Chucher Sandevo	2.109	1.702	407	-19,3
Ilinden	3.828	3.147	681	-17,8
Karposh	11.447	9.490	1.957	-17,1
Kisela Voda	11.827	9.844	1.983	-16,8
Chair	15.624	13.041	2.583	-16,5
Sopishte	1.352	1.146	206	-15,2
Butel	8.613	7.401	1.212	-14,1
Dolneni	3.250	2.821	429	-13,2
Chashka	1.770	1.554	216	-12,2
Lipkovo	6.578	5.783	795	-12,1
Saraj	9.801	8.925	876	-8,9
Shuto Orizari	5.956	5.955	1	0,0
Arachinovo	3.271	3.340	-69	2,1
Studenichani	4.883	5.127	-244	5,0

Source: State Statistics Office

3.1.10. On 2 October 2019, the Committee on Equal Opportunities for Women and Men of the Assembly held a public hearing on the topic: The role of women in rural areas and their challenges. Apart from the members and deputy members of the Committee, the hearing was attended by members of the Assembly, representatives of the MLSP and the MAFWM, the coordinators for equal opportunities of the ministries, the local committees on equal opportunities, mayors, representatives of the Ombudsman, Commission for Protection Against Discrimination, Institute of Gender Studies, NFF, AFSARD, Agency for Promotion of Agriculture Development, Union of Chambers of Commerce, Faculty of Agricultural Sciences and Food, representatives of international organizations (UN Women), representatives of the NGOs active in this area, experts, and representatives of the Delegation of the European Union. The following conclusions were reached at the session:

- improve the economic and social position of women in rural areas by strengthening the effectiveness and impact of national programmes for financial support of agriculture and rural development, laws and strategies in the field of gender equality, non-discrimination, agriculture, rural and social development;
- develop an action plan and promote measures for creating employment opportunities for women in rural areas;
- develop measures for recognizing the unpaid labour of women in domestic activities and find solutions for women in rural areas who are not entitled to a pension, that is, recognize the unpaid labour of women by amending the law that regulates social pensions;
- mainstream gender in the development of measures, policies and strategies related to agriculture and rural development;
- improve the availability of public services (health, education, social services) for women in rural areas, in line with the Sustainable Development Goals;
- adopt amendments to the Law on Health Insurance in order to enable registered farmers, that is, women farmers exercise their right to parental leave and sick leave;
- the Ministry of Health should initiate an inclusive process for amendments to the Law on Health Insurance, in which the associations of citizens representing rural women will participate;
- provide mobile general practitioners and outpatient facilities;
- develop a strategy to ensure access to land rights and ownership rights of women in rural areas and adopt measures to protect their control over land ownership and resources, including through awareness-raising campaigns to confront cultural and traditional models that prevent women's equal access and control of land;
- ensure greater involvement of women in rural areas in policy development at the local (through committees on equal opportunities) and national level;
- ensure local committees on equal opportunities for women and men hold public hearings in cooperation with UN Women and the central government and promote the measures for increasing awareness of women about the use of the planned funds;
- improve services for prevention and protection from gender-based violence and their availability for women in rural areas, including an increased number of shelters for women survivors of gender-based violence within a reasonable distance from rural areas, and provide counselling and rehabilitation services and access to medical and psychological support and
- establish a special unit in the MAFWM that will be exclusively dedicated to women in rural areas.

It was established that in the period of four years since the adoption of the conclusions by the Assembly's Committee on Equal Opportunities for Women and Men, specific measures and activities have not yet been taken by the competent institutions for their implementation.

This situation results from the slow dynamics in taking specific measures by the competent institutions in line with the adopted conclusions of the Committee to improve the situation of women in rural areas.

3.2. Investment in vocational training of women in rural areas and support for job creation

3.2.1. Training is an important part in the process of inclusion of women in rural areas in the labour market. It is intended to contribute to the improvement of their knowledge and skills for inclusion in the labour market.

For this purpose, the audit performed an analysis of the training conducted by the Employment Service Agency of the Republic of North Macedonia and determined the following:

In the period 2019-2022, the Employment Service Agency provided the following training:

- training for in-demand crafts;
- training for professional qualifications demanded by employers;
- on-the-job training for a known employer;
- training for in-demand occupations and crafts;
- training for advanced IT skills;
- training for advanced IT skills with co-financing;
- basic IT skills training and
- driver training for C and D category.

The implemented training measures in the period 2019-2022 were also examined and it was determined that:

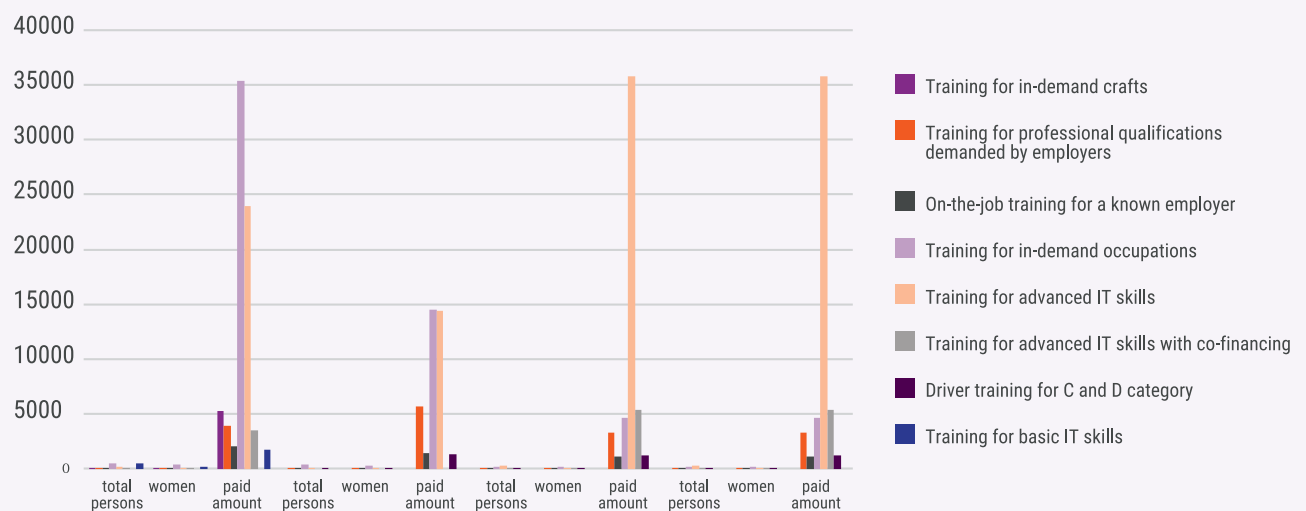
- in 2019, training programmes were conducted for 1,577 persons, of which 841 were women,
- in 2020, training programmes were conducted for 695 persons, of which 419 were women,
- in 2021, training programmes were conducted for 812 persons, of which 453 were women and
- in 2022, training programmes were conducted for 812 persons, of which 453 were women.

The difference between the training conducted in 2019 compared to other years is due to the basic IT skills training that was conducted only in 2019. The measure for training for advanced IT skills was not implemented in the following periods, because there were no interested training providers.

The Employment Service Agency does not maintain records of data on training participation disaggregated by gender by rural and urban areas, and the audit was unable to determine the representation of rural women in training measures.

In more detail, the situation regarding the training conducted by the Employment Service Agency during the period 2019-2022 is presented in Figure 4 below.

FIGURE 4. TRAINING IMPLEMENTED BY THE EMPLOYMENT SERVICE AGENCY, 2019 - 2022



Employment measures are an important part of the process of inclusion of women in rural areas in the labour market that are expected to contribute to their greater inclusion in the labour market.

The MLSP adopts annual operational plans for active employment programmes and measures and services on the labour market, which determine the employment programmes, measures and services that should provide for the creation of new jobs, support for the creation of new jobs and increased employment opportunities for unemployed persons, especially the young, the long-term unemployed and beneficiaries of the social protection right to financial assistance. Their implementation is under the competence of the ESARNM in partnership with other responsible institutions. As of 2021, one of the fundamental principles of the programmes included in the operational plans is the promotion of balanced regional development, according to the information provided by the Regional Development Bureau and the level of development of the planning regions in the Republic of North Macedonia. As a general rule, efforts should be made to ensure equal representation of men and women and participation of young people up to 29 years of age of at least 30%.

According to the Operational Plans, the following programmes and measures were implemented in the period 2019-2022:

- self-employment support;
- salary subsidies;
- employment and growth of legal entities;
- internship;
- community work;
- public works and
- youth allowance.

The audit examined the data on the implemented employment measures or the measures for employment support in the period 2019 - 2022 and determined that in 2019 a total of 6,074 persons were included in the measures, of which 3,147 were women, in 2020 a total of 9,977 persons were included in the measures, of which 4,387 were women, in 2021, a total of 9,846 persons were included in the measures, of which 4,427 were women, and in 2022, a total of 10,226 persons were included in the measures, of which 4,563 were women. The youth allowance started to be implemented in 2020. This situation indicates a trend of increase in the coverage of the female population in the measures for employment and employment support in the period 2019-2022.

In more detail, the measures for employment and the measures for employment support are presented in Figure 5 below.

FIGURE 5. EMPLOYMENT MEASURES IMPLEMENTED BY THE EMPLOYMENT SERVICE AGENCY, 2019 - 2022



We determined that the employment and training measures are general and intended for all citizens in the country, the gender perspective is not included in the design of the measures, that is, the operational plans do not include any employment measures that are adapted to the specific needs of women in rural areas and that will enable their easier and faster inclusion in the labour market. In addition, the measure for self-employment support does not support establishing businesses in the agricultural sector, except for organic agricultural production.

The reports on the implementation of the operational plans contain data on beneficiaries of measures disaggregated by gender, including the categories of Roma and young people, however, data are not disaggregated by rural and urban area, and therefore, we could not determine the participation of women in rural areas in these programmes and measures.

It is necessary to identify the profiles for which training and skill development is needed for women in rural areas, as well as to implement vocational courses for women and girls in rural areas, determined on the basis of the labour market demand and the priorities of each rural area.

Furthermore, we found that the ESARNM does not monitor the effects and long-term sustainability of the measures and activities for training and inclusion of women in rural areas in the labour market in order

to assess whether they contribute to sustainable employment.

This situation affects the process of inclusion of rural women in the labour market, bearing in mind that training is among the most important elements for preparation of women in rural areas to enter the labour market.

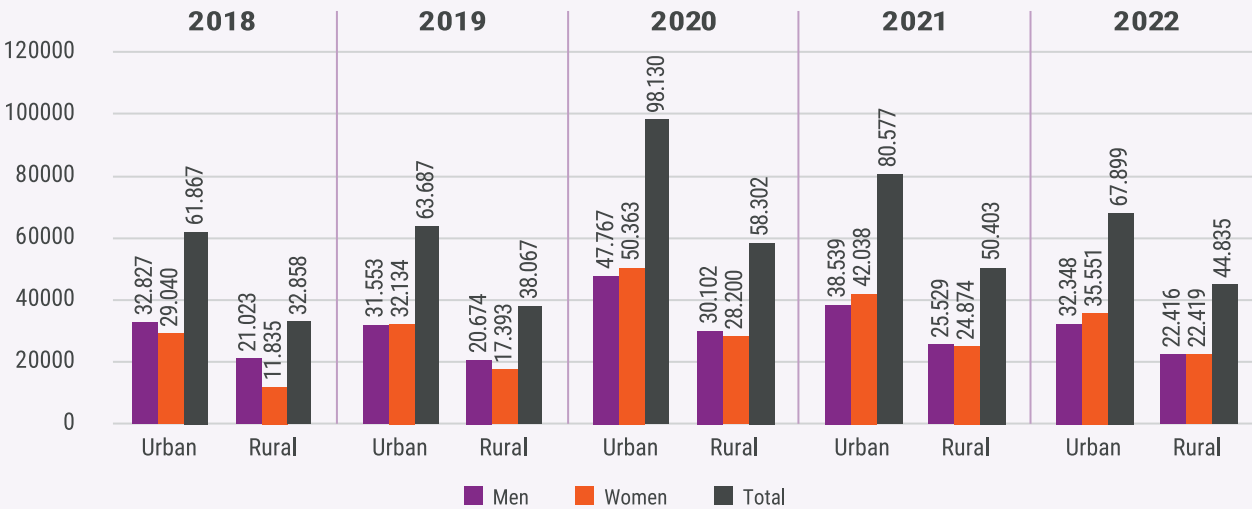
In more detail, the situation regarding unemployed persons during the period 2018 - 2022 - active job seekers is presented in Figure 6 below.

In 2023, the ESARNM conducted a survey to assess skill needs in the labour market by planning regions in the country. The objective of the survey was to furnish short-term indications of employers' expectations regarding new employees, and the needs for skills that candidates should possess to be competitive in the labour market.

The information obtained from private sector employers with seven or more employees refers to the following:

- the needs for new employees in the next 6 to 12 months;
- the occupations needed for the planned new employments and
- the needs for skills that candidates should possess for the planned new employments.

FIGURE 6. UNEMPLOYED PERSONS - ACTIVE JOB-SEEKERS, 2018 - 2022



The results obtained from the survey serve as a basis for the development of active employment programmes and measures, which are aimed at developing the skills of unemployed persons to increase their competitiveness in the labour market and contribute to the creation of conditions for its better operation by matching the supply and demand of the adequately skilled labour force. Results are not disaggregated by rural and urban areas.

3.2.2. In February 2023, the Government adopted the **Programme⁹ for social security support for women engaged in agricultural activities**. The objective of the Programme is to provide non-refundable financial support to women who are engaged in agricultural activity and have the status of an insured individual farmer.

This Programme will allow women farmers to use a maternity benefit during the period they are prevented from performing agricultural activity due to childbirth, which benefit is not covered by the regulations in the field of labour relations for paid maternity leave.

The funds for the implementation of this Programme in the total amount of 4.000 thousand denar were provided from the Budget¹⁰ of the Republic of North Macedonia for 2023 and will be used by the Agency for Financial Support of Agriculture and Rural Development for financial support in the amount of 81 thousand denar for a nine-month maternity benefit for women who have the status of insured - individual farmer acquired according to the Law on Pension and Disability Insurance, or, the total amount provided for this measure can be used to support 49 women. The financial support under this Programme is granted to a woman for a child born in the period from 1.12.2022 to 1.12.2023 and:

- she is registered in the Single Register of Agricultural Holdings as the holder or member of the family agricultural holding,
- the family agricultural holding of which she is a member has received financial support in accordance with the Programme for financial support in agriculture for 2021 in the amount of at least 100 thousand denar or has generated income from

agricultural activity in the amount of at least 300 thousand denar and

- had an uninterrupted status of an insured person - individual farmer according to the Law on Pension and Disability Insurance for a period of 12 months before the childbirth.

The payment of the funds under this Programme is made by the AFSARD based on a payment decision by the director of AFSARD, the latest by 25 December 2023. The AFSARD should submit to the Government a report including financial indicators for the implementation of the Programme and the reasons for deviation by 31 January 2024. Based on the inspection of the supporting documentation of the AFSARD, the audit concluded that as of 31 July 2023 two requests for this measure had been submitted, however, they had not yet been processed until the day of the audit. Until a legal solution is adopted, this measure can contribute to improving the situation of women in rural areas. However, considering that the implementation of this measure has started this year and is expected to continue in the following period, it is not yet possible to evaluate the effect of its implementation.

3.2.3. In 2023, on its session,¹¹ the Government adopted the information on the implementation of the **"50 villages, 50 stories"** Project and tasked the office of the deputy president in charge of economic affairs, coordination with economic sectors and investment to establish a working group composed of representatives from relevant ministries and state bodies to prepare a project proposal which should include a financial plan and an action plan with specific activities and submit it to the Government no later than 1 September 2023.

The objective of the Project is to promote integrated rural development, specifically targeting villages with potential for agritourism, rural tourism, socio-economic development, preservation of cultural heritage, with the aim of fostering their development, providing promotional opportunities, and reducing migration. The development of villages for agritourism, eco-tourism and mountain tourism is of great importance for their development and overcoming of demographic stagnation, taking into account the

⁹ Number 41-1377/5 of 07.02.2023

¹⁰ „(Official Gazette of the Republic of North Macedonia" №. 282/22) section 140.04, programme 2, subprogramme 23, item 464 - various transfers

¹¹ Extract from the draft minutes of the 151st session of the Government held on 20 June 2023.

fact that a certain number of villages throughout the country will be identified and selected to specifically promote as much as possible the idea for a sustainable fight against poverty, unemployment and isolation resulting from their geographical remoteness and lack of potential for development of agriculture and tourism. The Project has three development components:

- the first focuses on improving public infrastructure. This will be achieved through support for the improvement of road, public and traffic infrastructure, revitalization of public spaces, cultural heritage monuments, etc.;
- the second development component focuses on economic development based on diversification of economic activity through the improvement of the potential for tourism in rural areas, agritourism and rural tourism, support for local products and services, local fairs and festivals, marketing and promotion of the area and its products, and creating new jobs and
- the third component focuses on developing human and social capital through the support of rural networks, civil society, training of the population for local guides, protection of cultural heritage, customs and traditions, and rural living.

The primary objective is to amalgamate all existing funds in the country and abroad in order to link all institutions involved in tourism development in the Republic of North Macedonia and entice Macedonian citizens who have emigrated abroad to invest in rural tourism in their native villages, thereby reducing the emigration of youth and generating green employment opportunities. The project duration is four years, beginning this year and ending in 2026. The expected effects of the proposed project are as follows:

- increased number of tourists;
- revitalization of the tourist infrastructure in rural areas;
- increased tourist investments in rural areas;
- decline of the negative demographic trend in these rural places and
- promotion of alternative forms of tourism such as agritourism, adventure tourism, gastrotourism, ethnotourism, ecotourism, hunting tourism, etc.

In August 2023, a Decision¹² was adopted to establish a working group for the implementation of the “**50 villages, 50 stories**” Project. However, until the end of the audit, no pilot project had been developed yet.

We believe that such projects hold exceptional significance and that their execution should be a top priority for the government with the aim of improving the situation in rural areas, promoting their revitalization, retaining the population, and ultimately, facilitating the creation of new employment opportunities for women in rural areas.

3.2.4. The audit performed an analysis of the activities planned under the measures that are implemented in accordance with the Annual Programmes for Financial Support of Rural Development, adopted by the Government for the period 2018 – 2022, and determined that the programmes envisaged three measures, namely:

- Measure 321 – Improving the quality of life in rural areas;
- Measure 322 – Village renewal and development;
- Measure 323 – Preservation and promotion of traditional values of rural areas.

The implementation of the measures commenced in 2018 and by the year 2023, the majority of them had been completed. These measures refer to projects implemented by the municipalities in the Republic of North Macedonia and the planning regions in rural areas concerning:

- construction of a water supply system;
- construction of a sewerage system;
- construction of local roads;
- construction of access roads;
- construction of public village taps;
- construction of pedestrian paths and
- reconstruction of cultural centres.

Based on the examination of the submitted documentation, the audit determined the following:

- Under Measure 321 – Improving the quality of life in rural areas, projects were implemented in 66 municipalities across eight planning regions.

¹² Decision No. 40-8430/4 of 29.08.2023.

- One municipality was disqualified, two municipalities have completed their projects, but the funds have not yet been transferred, and one refund request was submitted to one municipality due to non-compliance with the agreed obligations by the municipality.
- Under Measure 322 - Village renewal and development, projects were implemented in 46 municipalities and three planning regions. However, nine municipalities have yet to complete their projects due to a concluded annex to the contract with a deadline of 31 December 2023, and one municipality has not received the funds due to its failure to submit a request for payment within the stipulated period.
- Under Measure 323 - Preservation and promotion of traditional values of rural areas, projects were implemented in 44 municipalities and five planning regions. One municipality has yet to complete its projects due to the concluded annex to the contract with a deadline of 31 December 2023, and refund requests were submitted to two municipalities due to non-compliance with the agreed obligations by the municipalities.

For the implementation of these measures, funds in the total amount of 1,509,371 thousand denar (24,345

thousand euro) were paid by AFSARD to more than 50 municipalities in the country.

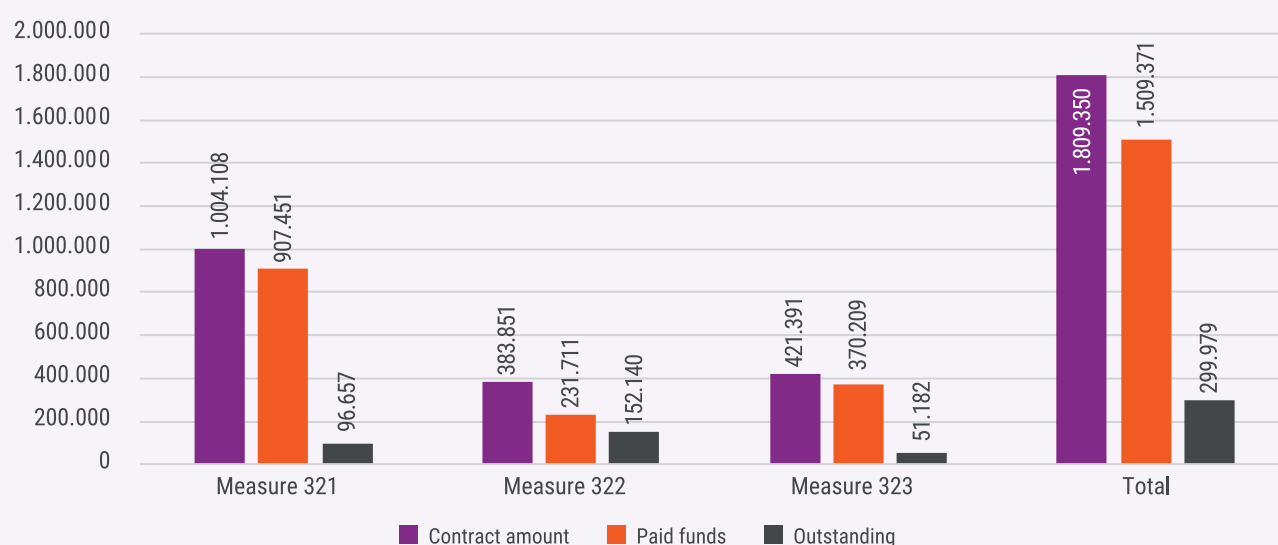
Figure 7 below shows the total funds for which agreements have been concluded and funds have been paid under the measures for the entire period.

Regarding the implemented measures, one announcement was published in 2018. In each subsequent annual programme, funds are allocated for the payment of obligations for the approved projects based on this announcement, i.e., no new projects are planned and implemented under the annual programmes.

The measures contribute to the improvement of living conditions in rural areas, however, long-term planning and new public announcements are needed for projects to be implemented in the coming period, taking into account that these projects take more than a year to be completed, as they are infrastructure projects.

It is noteworthy that, taking into consideration that living conditions constitute one of the most significant criteria for the retention of rural populations in rural areas, it is imperative to include additional measures and public announcements in the annual programmes so that projects that aim to improve living conditions in rural areas could be implemented.

FIGURE 7. CONSTRUCTION OF WATER SUPPLY SYSTEMS, SEWERAGE, LOCAL ROADS ENVISAGED BY THE MEASURES 321, 322 AND 323 IN THE MUNICIPALITIES IN THE REPUBLIC OF NORTH MACEDONIA



Under the IPARD 2 Programme, the measure – Investments in rural public infrastructure was planned, however, it was not accredited for the entire duration of the Programme due to the lack of capacities in the AFSARD. Specifically, this measure is also anticipated by the new IPARD 3 Programme and has yet to receive accreditation.

We believe that accreditation and implementation of this measure will help improve living conditions in rural areas.



State of the infrastructure in rural areas. Furka Dojran.

3.2.5. In 2018, under the national **Programme¹³ for Financial Support of Rural Development, Measure 112** – Assistance to young farmers to start an agricultural activity was implemented.

The purpose of the measure is to assist young farmers start an agricultural activity by providing non-refundable financial support for starting an agricultural activity to young farmers who are beginning an agricultural activity for the first time by taking over an existing agricultural holding or by establishing a new one.

The funds are intended for investments for the purchase of new fixed assets, operating costs related to the purchased assets, and other expenditures foreseen by the Programme for Financial Support of Rural Development for 2018. The maximum value of eligible expenditures per beneficiary under Measure 112 is 600 thousand denar. The funds are allocated for the period of implementation of the business plan and are paid annually in a maximum of three instalments.

Based on the analysis of the annual programmes, public calls, submitted documentation and information by the AFSARD, the audit determined the following:

- In May 2018, a public call for support was published, and a total of 1,040 applications were submitted, of which 425 were submitted by women and 625 by men. Out of the total submitted applications for support, a total of 937 applicants were rejected, including 383 submitted by women and 554 by men, due to inadequacy of the applications to the measure. Additionally, 17 applications, including 9 submitted by women and 8 by men, were approved, but were not implemented due to the cancellation by the applicants. The approved funds totalled 44,900 thousand denar, of which 20,000 thousand denar were allocated to female applicants and 24,900 thousand denar to male applicants.
- in July 2021, a public call for support was published, and a total of 111 applications were submitted, of which 47 were submitted by women and 64 by men. Out of the total submitted applications for support, a total of 61 applicants were rejected, including 25 submitted by women and 36 by men, due to inadequacy of the applications to the measure. Additionally, 10 applications, including 6 submitted by women and 4 by men, were approved, but were not implemented due to the cancellation

¹³ Official Gazette of the Republic of North Macedonia, No. 16 of 26.01.2018.

by the applicants. The approved funds totalled 22,200 thousand denar, of which 9,200 thousand denar were allocated to female applicants, and 13,000 thousand denar to male applicants;

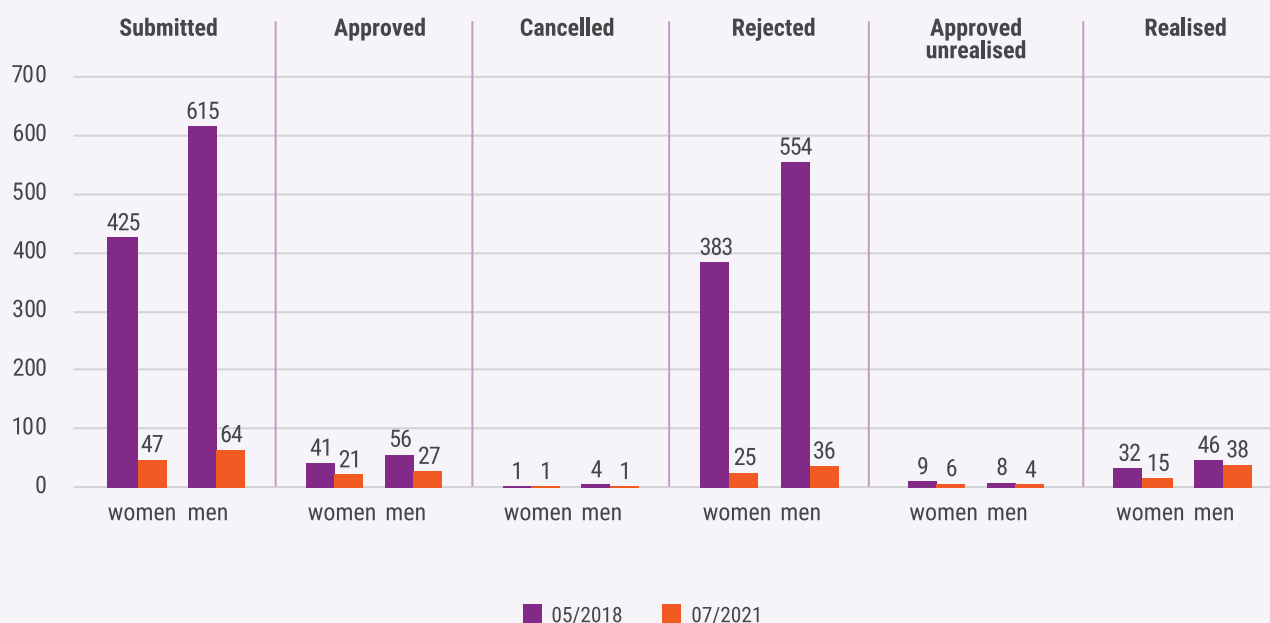
- In 2019, and 2020, in accordance with the Programme for Financial Support of Rural Development, funds were provided for the implementation of Measure 112, which refer to the payment of outstanding obligations for the implementation of the measure from previous years.
- In 2022, in accordance with the Programme for Financial Support of Rural Development, funds were allocated for the implementation of Measure 112, and amendments were made to ensure that support and financial assistance could be granted in the form of an **advance payment of up to 40% of the approved eligible expenditures**. However, no public call was announced for this measure in 2022.
- In August 2023, a public call for this measure was conducted with the latest amendments referring to an advance payment of 40% of the approved eligible expenditures.

The number of submitted, approved, and rejected applications under Measure 112 after the two conducted public calls is presented in detail in the following Figure 8.

Based on the analysis of the public calls conducted in 2018 and 2021, it has been determined that both the number of submitted applications and the number of approved applications for Measure 112 are decreasing. Based on the interviews conducted and the questionnaires received, it is possible to establish that **women in rural areas believe that the procedure is too slow, long, and complex, and requires extensive documentation**. The process from application to approval and payment of approved funds requires a considerable amount of time and necessitates investing your own funds prior to receiving the funds you applied for.

The MAFWM has not conducted an analysis of the impact of this measure, specifically its impact on the strengthening, increase in the number of young farmers who have started an agricultural activity, and the impact of this measure on the process of involving young farmers in agricultural activity, in order to determine the needs for interventions in the measure, despite the fact that a period of more than five years has elapsed since the beginning of its implementation.

FIGURE 8. MEASURE 112 - ASSISTANCE TO YOUNG FARMERS TO START AN AGRICULTURAL ACTIVITY



The monitoring of the implementation of the measure and its impact should show whether the measure has a positive impact, specifically whether it has resulted in an increase in the number of young farmers who start agricultural activities, whether it has a long-term impact and sustainability, and whether it has contributed to the retention of young people in rural areas. Additionally, it should provide recommendations for improving or modifying the measure to enhance its efficacy and achieve a greater impact.

3.2.6. The Operational Plan of the National Strategy for Agriculture and Rural Development 2017 - 2020 includes a measure for providing support in the amount of 70% of the amount of the minimum net salary in the country to an **active female member of an agricultural household** who meets the following requirements: age up to 40 years to acquire the right to support, married to a member of an agricultural holding and mother of at least one child, unemployed, a housewife and actively maintaining the agricultural household which is in a settlement with less than 200 inhabitants. The support was intended to be provided in the form of direct payments or the payment of compulsory insurance. The National Programme for Agriculture and Rural Development 2018-2022 also envisages this measure as a means of providing assistance to an active female member of an agricultural household. As a result of identified discriminatory criteria for women in rural areas, the requirements for applying to this measure were amended. However, amendments were not made to the Operational Plan and the National Programme.

In 2019, through the Programme¹⁴ for amending the Programme for Financial Support of Rural Development, a gender-responsive measure, **Measure 115 - Support for an active female member of an agricultural household**, was introduced for the first time.

This measure is implemented in accordance with the Law on Agriculture and Rural Development as non-refundable financial support for investments that will contribute to the development of rural areas and is awarded to a female member of an agricultural holding, registered in the Single Register of Agricultural Holdings.

The measure supports women-owned agricultural holdings with financial support of 3,000 euro for an investment that will add value to their production and skills and encourage income-generating activities.

In November 2019, a public call was published, and a total of 402 applications for support were submitted. Of these, 250 were eligible for a grant, and 242 continued the procedure for application for financial support in the amount of 35,949 thousand denar. A total of 152 applicants were rejected, of which 27 were rejected due to incomplete documentation and 125 were rejected due to inadequate applications for the measure. The payments of the funds envisaged under the measure were completed in September/October 2022 to 131 women.

In 2020, the Programme solely provided funds for the payment of outstanding obligations arising from the measure implemented in 2019.

In 2021, the initially planned funds were in the amount of 18,000 thousand denar, but based on amendments to the Programme,¹⁵ the funds were increased to 40,000 thousand denar, only for on 26.04.2021¹⁶ to be decreased again, leaving only 1,000 thousand denar for outstanding obligations from previous years.

In 2022, according to the Programme for Financial Support of Rural Development, the second public call was published increasing the financial support to 6,000 euro. However, significantly fewer applications for support were submitted compared to 2019. Specifically, only 135 women submitted applications for support, out of which 5 withdrew, and 65 applications for support in the amount of 17,539 thousand denar were approved. Regarding the 65 approved applications, 45 women submitted requests for payment, of which 29 were completed, one female beneficiary withdrew, one request was ineligible for payment, and the remaining 14 are still being processed, taking into account that the deadline for submitting a request for payment was 31 December 2023.

The MAFWM has not conducted an evaluation of the measure to determine the needs for possible interventions, nor has it conducted monitoring of its impact.

¹⁴ Official Gazette of the Republic of North Macedonia №. 153 of 26.07.2019.

¹⁵ Official Gazette of the Republic of North Macedonia №. 79 of 08.04.2021.

¹⁶ Official Gazette of the Republic of North Macedonia №. 92 of 08.04.2021.

With the support of UN Women, a publication was issued by the **Faculty of Agricultural Sciences and Food** on strengthening the role of women in agriculture, within the project Towards Gender-responsive Policies and Budgets in Agriculture and Rural Development. The publication examined the effect of **Measure 115 - Support for an active female member of an agricultural household** on empowering of women. The analysis was conducted using a randomly selected sample of 300 women from different statistical regions of the country, divided into three groups: control (100 women who did not apply for Measure 115), rejected (100 women who applied for Measure 115 but were rejected) and approved (100 women who applied for Measure 115 and received financial support).

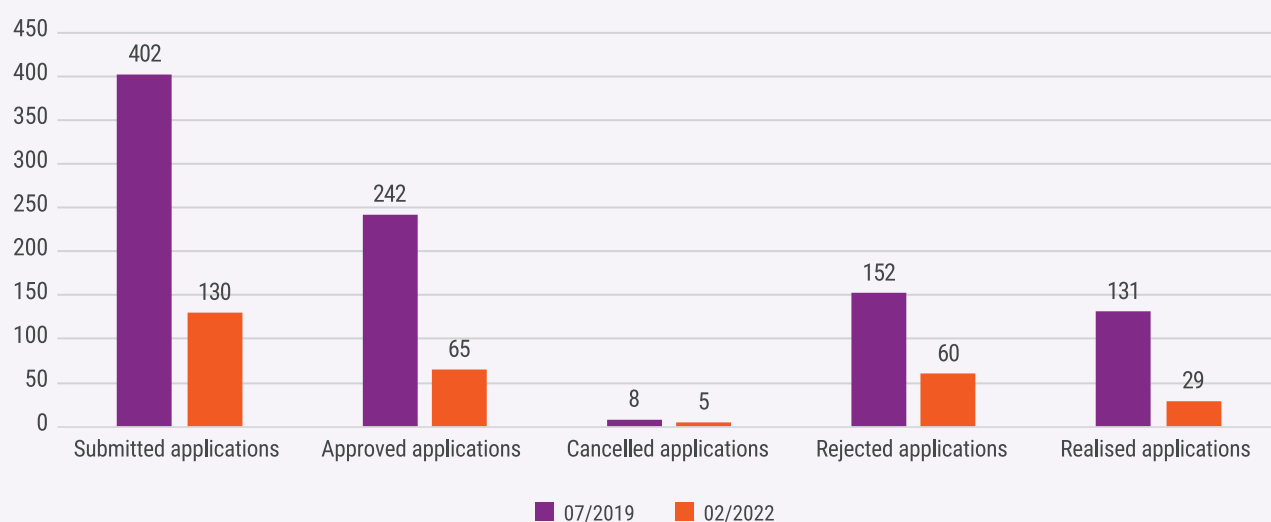
The research findings indicate that 63.5% of the sample applied for the measure, out of which 66.4% received a grant, and 61% generated income from the investment. For those women who were unable to generate income, the primary factor was the inadequate utilization of the equipment. Moreover, 93.5% of the respondents believe that the measure has been successful in enhancing their position.

The analysis also revealed that the low amount of funds allocated for the investment was the main reason stated by the women who believed that the measure was not a successful empowerment tool. The attitudes and perceptions of the women indicate that late payment under the measure can result in negative

publicity as regards its successfulness and that this affected the number of women who did not submit an application on the second call. It is also noted that 11% of respondents are unable to use the measure due to the increased prices and the long payment period, and that 9% do not have sufficient funds for the investment. The primary findings of the study indicate that although the policy interventions do not have a direct impact on empowerment, they do have a favourable impact on women's attitudes, income generation, and strengthening of their position in the household. According to the study, it is imperative to conduct regular evaluation of the implemented policy interventions, as the short period of time between the intervention and the measurement of empowerment does not allow its effect to be determined. It is therefore recommended to conduct piloting of the measures before their implementation, and then apply them on a larger scale.

The working group on gender equality and empowerment of women and the project expert team proposed to the MAFWM to change the title of the measure so that it would read "Support for a woman - head of an agricultural holding or a woman active member of an agricultural holding" in order to include women with varying levels of empowerment and support needs, and to make amendments to the required conditions and criteria for a woman - head of an agricultural holding and a woman - an active member of an agricultural holding.

FIGURE 9. MEASURE 115 - SUPPORT FOR AN ACTIVE FEMALE MEMBER OF AN AGRICULTURAL HOUSEHOLD



It is also proposed to introduce an advance payment of 40% after concluding the contract for Measure 115.

In further detail, the number of submitted, approved, cancelled, rejected, and implemented applications for Measure 115 – Support for an active female member of an agricultural household is shown in Figure 9 below.

We believe that the regular implementation of this measure, the extension of its scope to include women – active members of agricultural holdings, and the introduction of an advance payment will all contribute to an increase in the number of women applicants for this measure. This will impact their empowerment and generate greater income for women involved in agriculture. Furthermore, it will enhance the overall outcomes of the operation of the agricultural holding and aid in attaining higher standards than the minimum established by the laws in the field of agriculture or the recently introduced standards in the field of agriculture.

3.2.7. The IPA Programme for Rural Development 2014 – 2020 includes the measure **Farm diversification and business development**.

According to the SWOT¹⁷ analysis, which is part of the IPARD Programme, it was determined that agricultural activities alone would not provide adequate income to the rural residents. Therefore, measures were envisaged to diversify the on-farm income by introducing a variety of on-farm economic activities in the rural areas. As per the analysis conducted under the Programme, the recent declining trends of employment in agriculture, forestry, and fisheries at the national level, coupled with lack of adequate alternatives for farmers who reduce or cease their agricultural activity, pose a significant risk to the development of rural areas. In the longer term, it is expected that small farm holders will be the ones at risk of ceasing their activities, due to pressure from commercial farming and the development of the processing sector and market chains imposing strict quality requirements. Entrepreneurship in rural areas is hindered by a lack of capital and inadequate access to business development. Limited investment potential of rural actors, underdeveloped versatile cooperation forms, lack of information and consultation about the advantages of entrepreneurial activities, orientation of the services into the local market, small demand for goods and services

due to lower standard of living of rural population impede the business creation and development in rural areas. Agriculture competitiveness in rural areas is limited by the inadequate quality and access to basic infrastructure and services for the economy and the rural population. Service provision is also an indicator for quality of life of rural population. Therefore, the support of the new business start-ups and the development of the established micro and small enterprises is an important tool for improving the competitiveness and job creation in rural areas. The support is needed to develop the economic situation of rural areas (dominated by trade activities and construction) into other economic activities and services promoting job creation as well as significantly improve the quality of life, especially for the young population in rural areas. The potential of rural tourism is underutilized, although growing demand for rural tourism exists from domestic tourists as well as from foreign tourists visiting the country to explore its natural, cultural, and traditional amenities¹⁸. Hence, the purpose of the IPARD measure is to provide support to the investments in rural areas aimed at establishment and development of alternative economic activities in rural areas, promotion of entrepreneurship and business development of non-agricultural products, improving access to services to agricultural holdings and rural population and promotion of rural tourism. The overall objective of this measure is fostering employment based on the criteria of creation of new jobs and maintaining the existing jobs, thus raising the economic activity level in rural areas, improving the quality of life and reversing rural depopulation. Diversification is necessary for growth, employment and sustainable development in rural areas, and thereby contributes to a better territorial balance, both in economic and social terms.

The IPARD Programme determined that **priority should be given by additional points** to the applicants who were at least 18 and less than 40 years of age or the application for support was submitted by a woman or a micro enterprise. Furthermore, priority was given to projects that promoted self-employment or employment of family members or projects that promoted the creation of jobs in rural areas by additional points. Project funding was up to 65% of the total eligible investment costs. The minimum to-

¹⁷ Analysis of strengths, weaknesses, opportunities and threats.

¹⁸ IPARD Programme 2014 – 2020.

tal eligible expenditures proposed for the investment project was 3,000 euro, and the maximum total eligible expenditures proposed for the investment project should not exceed 1 million euro.

The audit examined the public calls for the measure Diversification of farms and business development, published in 2019 and 2021, with a completion date of 31.07.2023.

In 2019, out of a total of 43 contracts that were concluded with natural persons, 9 were concluded with women, with 7 of them pertaining to investments in alternative agricultural production – specifically beekeeping. A total of 35 contracts were concluded with legal entities, of which 13 were with authorized persons – women. Of these, 8 contracts refer to investments in the production of non-food products, 2 refer to investments in the production of food products and beverages, namely cakes, pasta, bakery products and spices and herbs, 1 to investments in the provision of services in agriculture – establishment and improvement of veterinary services, and 2 refer to investments in rural tourism – combined accommodation and catering services.

In 2021, out of a total of 58 contracts that were concluded with natural persons, 16 contracts were concluded with women. Of these, 15 refer to investments in alternative agricultural production, 14 refer to bees, of which 2 have not been completed, and 1 refers to the cultivation of herbs, seeds, and other spicy and aromatic plants. In addition, one contract refers to investments in services for the rural population, such as training and educational centres for any profession, hobby, sport, etc. 53 contracts were concluded with legal entities, of which 12 with authorized persons – women. Of these, 7 contracts refer to investments in the production of non-food products, of which two have not been completed, and two are being processed, three contracts refer to investments in the production of food products and beverages, namely cakes, pasta, bakery products and spices and herbs (one of which has not been completed), one contract refers to investments in providing services in agriculture – establishment and improvement of veterinary services and one to investments in rural tourism – indoor or outdoor tourist accommodation (the investment has not been implemented).

The IPARD Programme for Rural Development 2021 – 2027 again includes the measure Diversification of farms and business development, however, increasing the amount of the minimum total eligible expenditures of the investment project from 3,000 euro to

5,000 euro, and the maximum total funding support to be granted to the recipient under this measure to 1,500 thousand euro for the entire period of implementation of the Programme.

Based on the public calls conducted in 2019 and 2021, it can be noted that most of the applications for financial support submitted by women refer to beekeeping. The average total eligible expenditures of the beneficiaries of the financial support for beekeeping is 241 thousand denar, which indicates that most women apply for a measure that does not require a significant investment, taking into account that the support is paid after the investment is implemented.

In more detail, the number of concluded contracts, eligible expenditures per contract, co-financed amount, and paid funds are shown in Figure 10.

In more detail, Measure 7 by investments in priority sectors is shown in Figure 11 below.

It is noteworthy that 95 contracts, or 50% of the concluded contracts, pertain to investments in alternative agricultural production, of which 89 pertain to beekeeping. According to the contracts, the average amount of eligible expenditures for beekeeping is approximately 339 thousand denar. Only one contract has been concluded for the measure investments in craft activities, while there are three contacts for investments in services for the rural population. However, the investments under these contracts were not implemented in 2019.

Specifically, the largest number of applications were submitted for investments in alternative agricultural production, especially beekeeping, which dominates with around 92% of applications. The lowest level of interest is exhibited towards craft activities and investments in services for the rural population. In 2019, only 24 applications were submitted by women, of which 19 were for beekeeping. In 2021, 38 applications were submitted by women, of which 29 were for beekeeping. A total of 302 applications were rejected, out of which 35 were submitted by women, and a total of 18 applicants withdrew from the process following their application, of which 2 were women.

The IPA Programme for Rural Development 2021 – 2027 introduces pre-financing support as a novelty, which means that the method of payment of approved funds has also been changed. It is envisaged to make an advance payment of up to 50% of the project amount upon the conclusion of the contract.

FIGURE 10. IPARD MEASURE 7 - FARM DIVERSIFICATION AND BUSINESS DEVELOPMENT

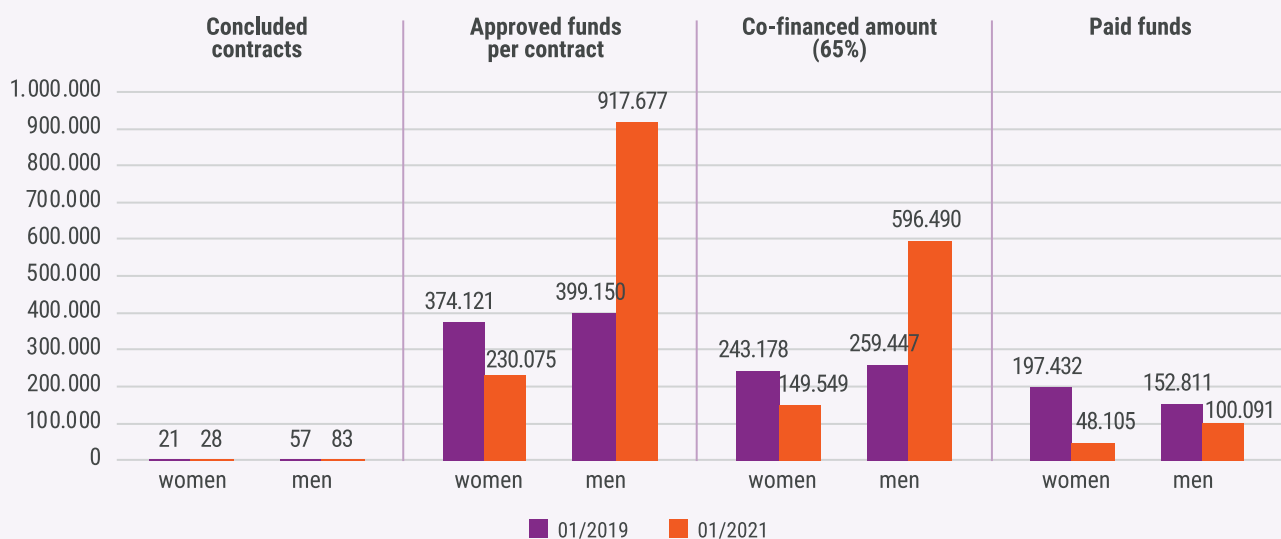
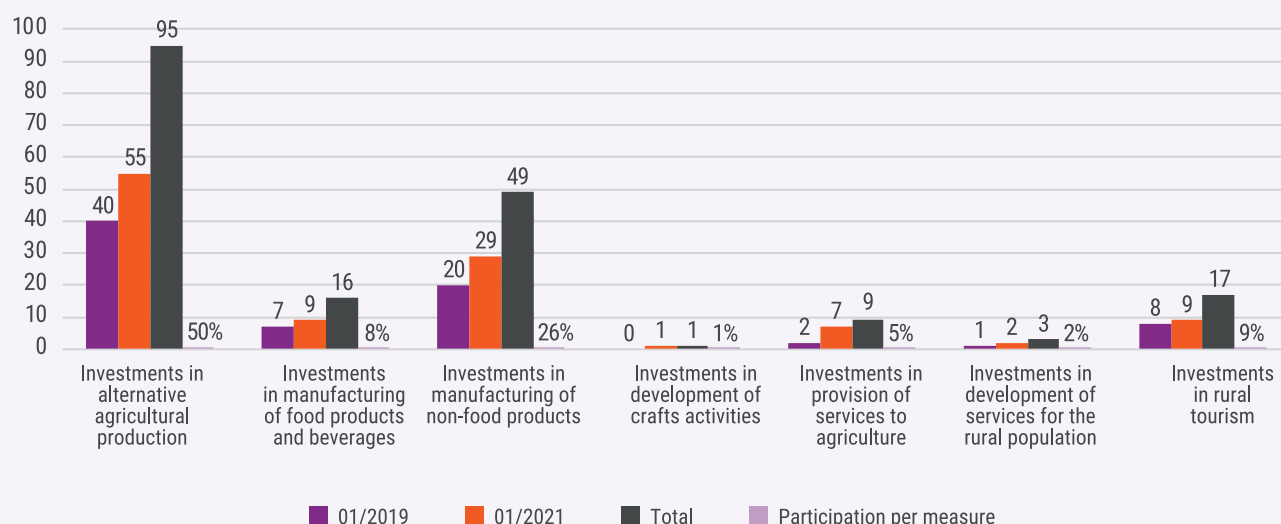


FIGURE 11. IPARD MEASURE 7 - FARM DIVERSIFICATION AND BUSINESS DEVELOPMENT



However, in order for this advance payment to be executed, it is required to submit a bank guarantee or an equivalent guarantee corresponding to 110% of the advance amount.

The situation in rural areas demonstrates that a negligible proportion of women hold property rights, namely 4.07%, of women are owners of property as compared to 95.9% of men. In the case of 21.96% of women, their parents are owners of the property. In

terms of land ownership, 12.01% of women are land owners compared to 87.99% of men.¹⁹

Given that the majority of women in rural areas lack financial independence and do not possess property in their own name, it remains a challenge whether and how many of them can afford to utilize this advance payment, which is contingent on providing a bank guarantee.

¹⁹ Annual report on the activities undertaken and the progress achieved in the establishment of equal opportunities for women and men in the Republic of North Macedonia 2021.

3.3. Investments in public services in rural areas (child care in kindergartens and homes for the elderly)

3.3.1. One of the most important prerequisites for the inclusion of women from rural areas in the labour market is that rural areas have **child care facilities**. For these reasons, the audit performed an analysis of the situation with kindergartens in rural areas and determined that the MLSP, in accordance with the Law on Budget Execution, adopts annual programmes for construction, equipping, and maintenance of child protection facilities. Based on the examination of the annual programmes for the period 2019 - 2023 and their amendments and implementation, the audit determined the following:

- The Programme for 2019 envisages the execution of construction works for the construction of a kindergarten and the procurement, delivery and installation of equipment for a kindergarten in the municipalities of Brvenica, Bosilovo, Lozovo, Demir Kapija, Kumanovo, Gazi Baba, Vrapchiste, Gjorche Petrov, Shtip, Kriva Palanka and Rosoman, as well as the payment of obligations for projects initiated in 2018;
- The Programme for 2020 envisages the execution of construction works for the construction of a kindergarten and the procurement, delivery and installation of equipment for a kindergarten in the municipalities of Sopsishte, Vasilevo, Delchevo, Strumica, Gostivar Gjorche Petrov, Gostivar village of Banjica, Sveti Nikole, Ilinden and Chair, as well as the payment of obligations for projects initiated in 2019;
- The Programme for 2021 envisages the execution of construction works for the construction of a kindergarten and the procurement, delivery and installation of equipment for a kindergarten in the municipalities of Bitola, Mogila, Rosoman, Sveti Nikole, the village of Erdjelija, Gevgelija, Debar, Gazi Baba and Berovo, as well as the payment of obligations for projects initiated in 2020;
- The Programme for 2022 envisages the execution of construction works for the construction of a kindergarten and the procurement, delivery and installation of equipment for a kindergarten in the municipalities of Delchevo, Karbinci village of Tarinci, Bitola, Prilep, Gjorche Petrov and Veles, as well as the payment of obligations for projects initiated in 2021;

- The Programme for 2023 envisages the execution of construction works for the construction of a kindergarten and the procurement, delivery and installation of equipment for a kindergarten in the municipalities of Kriva Palanka, Veles, Kisela Voda and Berovo, as well as the payment of obligations for projects initiated in 2022;
- Semi-annual and annual reports are prepared on the implementation of the Programme. However, they do not contain any information regarding the utilization of funds per activity in accordance with the annual programme, but rather the total value realized for the entire programme.

Figure 12 below provides further detail on the planned and implemented funds for the construction and reconstruction of child protection facilities, by year, for the period 2019 - 2023, by the MLSP and the municipalities.

Based on the analysis conducted for the period 2019-2022, regarding the construction, reconstruction, and extension of child protection facilities in rural areas, the audit revealed that 17 new child protection facilities were constructed with a capacity to accommodate 1,533 children, for which funds were realized in a total amount of 445,614 thousand denar, 8 child care facilities with a capacity of 761 children are currently under construction, and reconstruction, adaptation, and extension works were implemented for child care facilities with total capacity of 1,435 children.

Figure 13 below illustrates the situation with built facilities, facilities that are under construction, and their capacity - the number of children to be accommodated in rural areas.

An analysis by rural area has not been conducted to determine the need for the construction of child care facilities for children of preschool age, including time lines, competent institutions and required funds.

This situation indicates that the government undertakes measures for the construction of new and expanding the capacities of existing child protection facilities in rural areas; however, in the coming period, it is necessary to continue and intensify these activities to improve the conditions in rural areas related to the lack of child care institutions and facilitate the process of including rural women in the labour market.

3.3.2. The high inactivity rate among women throughout the country, particularly in rural areas, is primarily attributed to the persisting traditional role of women in families. This pertains primarily to their household duties, the care of family, children, and elderly members.

The audit found that there are five **public institutions for elderly care** in Skopje, Kumanovo, Prilep, Bitola, and Berovo. These homes have a total capacity of 637 beds, and only one of them is registered as a public health facility - the Gerontology Institute in Skopje.

The MLSP adopts annual programmes for construction, equipping, and maintenance of social protection facilities and homes for the elderly in accordance with the Law on Budget Execution. Upon examination of the annual programmes for the period 2019-2023

and their amendments and implementation, the audit found the following:

- The Programmes for 2019 and 2020 do not envisage activities for construction, equipping and maintenance of homes for the elderly;
- The Programme for 2021 envisages two activities for procurement of equipment for a home for the elderly in Probishtip and for construction and equipping of a new home for the elderly in Kochani, an activity that has not been implemented yet.
- The activities related to the construction and equipping of a home for the elderly in Kochani have been transferred to the Programme for 2022, but they have not been implemented. The amendment to the Programme envisages the reconstruction and adaptation of a business facility into a home for the elderly in Berovo, which has been initiated this year.

FIGURE 12. PROGRAMME FOR CONSTRUCTION, EQUIPPING, AND MAINTENANCE OF CHILD PROTECTION FACILITIES

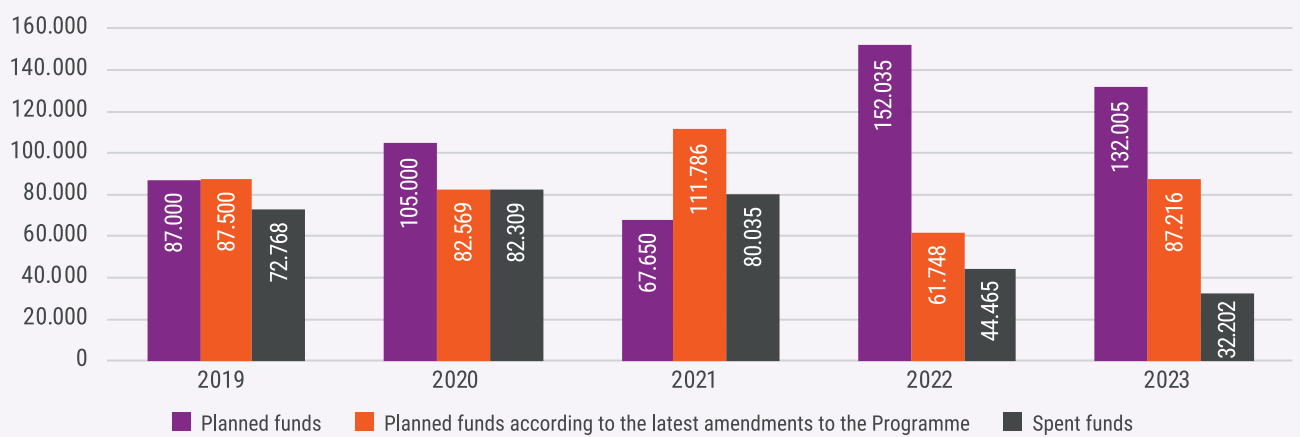
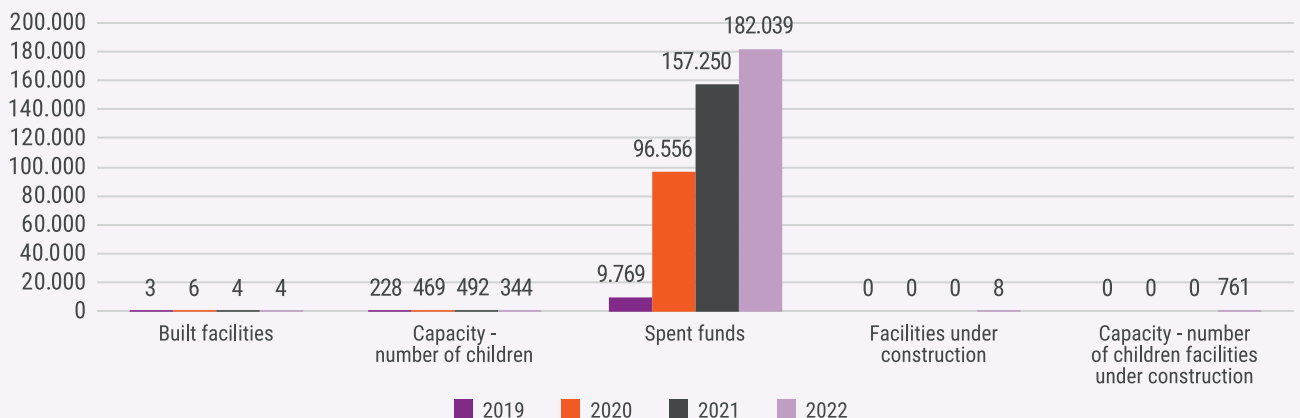


FIGURE 13. BUILT AND UNDER CONSTRUCTION CHILD PROTECTION FACILITIES IN RURAL AREAS, 2019 - 2022



- The Programme for the year 2023 envisages provision of funds to fulfil the obligations arising from 2022 for the home for the elderly in Berovo, as well as a new initiative for the execution of construction works, including adjustments in the process of construction for adaptation and conversion to a home for the elderly in Probishtip. The activity for the construction of a new home in the municipality of Kochani is not included in the Programme for 2023.
- Semi-annual and annual reports are prepared on the implementation of the Programme. However, they do not contain any information regarding the utilization of funds per activity in accordance with the annual programme, but rather the total value realized for the entire programme.

In 2015, the MLSP adopted procedures and measures to encourage the construction and opening of homes for the elderly, and determined that the largest share, or 20.8% of the elderly population is located in the Pelagonia Region. It is followed by the Vardar, Eastern, and Southeastern Regions with 18.1% of the elderly population. The Polog Region has the smallest share of the elderly population, namely 12.2%. The largest number of private homes are located on the territory of the City of Skopje, that is, out of 15 private homes, 14 are in Skopje, and only one in Negotino. From this point of view, it becomes imperative to expand residential facilities in other municipalities within the Republic of North Macedonia. The following measures are provided as incentives:

- sale of construction land at an initial price of one euro per m² for the purpose of building social protection facilities for the elderly, with locations determined by the municipality;
- designated facilities by the municipalities that can be leased on a long-term basis or made available for public-private partnership, for the purpose of establishing homes for the elderly - with an attached list of the facilities;
- 95% reduction in the price of communal charges;
- provision of favourable credit lines by the Macedonian Bank for Development Promotion for the construction of facilities for the elderly;
- benefits provided by the ESARNM and the Agency for Promotion of Entrepreneurship;
- legal opportunity for foreign nationals to use domestic care facilities, that is, to regulate their stay based on their residence in a home for the elderly.

The audit examined the private facilities for the elderly and determined that accommodation is provided by 40 private social protection facilities for the elderly with a capacity of 1,637 beds, specifically:

- 31 homes for the elderly in the Skopje Region, one of which has been closed (30 beds), and only seven of them are in rural areas (Sopishte, Ilinden and Petrovec) with a total capacity of 1284 beds;
- one in Negotino with a capacity of 98 beds;
- two in Bitola with a capacity of 73 beds;
- one in Radovish with a capacity of 31 beds;
- three in Strumica, two of which are in rural areas, with a capacity of 102 beds;
- one in Gostivar with a capacity of 30 beds and
- one in Kavadarci with a capacity of 19 beds.

The National Action Plan for the implementation of the Strategy for Gender Equality 2021-2027 includes an objective to improve the quality of work for women, and an indicator under this objective - construction of homes for the elderly in rural areas. However, no activities are envisaged to achieve this objective, as it is not determined in what number and in which rural areas these homes will be constructed.

The audit revealed that the lack of institutional mechanisms for long-term care for the elderly is particularly challenging in rural areas, where access to specialized health facilities is also lacking. Public homes, which are more affordable to the population than private ones, are not sufficient to meet the population needs.

Despite the adoption of measures to encourage the construction and opening of homes for the elderly on the entire territory of the Republic of North Macedonia, still around 78% of the private homes for the elderly are established and operating on the territory of Skopje. Only six other towns have homes for the elderly with a total capacity of 353 beds, which is not sufficient to meet the population needs.

3.3.3. The audit examined the method of submitting applications for approval of measures implemented by the AFSARD and determined that the submission of applications is still carried out by delivering the applications to the documents management office or by mail. There is no electronic system for applying for measures under the IPARD Programme that is implemented by the AFSARD.

In April 2019, activities were initiated within the framework of the IPA II 2015 Project entitled “**Customized Software for Integrated Administrative and Control System (IACS) of Agriculture and Rural Development Support**”. It is planned that its implementation will be carried out over a period of 24 months in order to provide the MAFWM with access to standard sets of reports/data maintained by the AFSARD, which refer to the indicators related to the implementation of support measures in agriculture.

According to the agreement²⁰, the goal of the project is to enhance the system’s interoperability and effectiveness by developing a new Integrated Administration and Control System (IACS) software within the AFSARD. The purpose of this project is to develop and integrate all elements of the software that supports the entire process of submission of aid applications, processing of applications, and control of the use of national agricultural funds for direct support measures (including rural development measures) and market support measures.

This will include a single system to record the identity of each beneficiary of the support, submission of aid application, administrative controls, Land Parcel Identification System (LPIS) including geospatial aid application, risk analysis, on-the spot control, authorization of payments and reporting in line with EU requirements and international auditing standards.

The deadline for the mentioned project has passed and the European Delegation in the Republic of North Macedonia is expected to present the report. The Programme for Financial Support of Rural Development was not covered by the project activities, specifically, the measures under the rural development programmes were not planned to be part of this project.

It should be noted that the implementation of the process outside an electronic system does not allow for automation of the process, and the human factor has an impact when processing applications. Furthermore, by employing this approach, the task of the AFSARD is rendered more challenging, taking into account the limited personnel resources available to it, as well as the potential for subjectivity in the processing of these data.

In this regard, it is imperative to initiate a procedure for the development or procurement of specialized

software to process the received applications for the measures under the IPARD Programme implemented by the AFSARD. This will ensure the highest level of automation of the process. Another alternative is to initiate the installation of a module that can be utilized for this purpose within the project that is currently being implemented.

3.3.4. The audit examined the **annual reports of the Local Self-government Units**²¹ submitted to the MLSP by 62 municipalities, and determined that 25 municipalities implement measures and activities to improve the conditions of rural women, specifically:

- organization of forums on the topic of female farmers and managers, as well as assistance in completing the required documentation for the registration of an agricultural company;
- encouraging rural women to complete secondary education;
- adoption of programmes for community works for 2021 - 2022 for work engagement of unemployed persons to provide care of elderly persons;
- adoption of a new Strategy for Promotion of Gender Equality with an Action Plan and strategic goal of economic empowerment of women - easier access of women to the labour market (promotion of active employment measures);
- improvement of the road infrastructure;
- strengthening women’s capacities through training and education, raising women’s awareness of their role in unpaid labour and informing women how to regulate their status of farmers and apply to IPARD;
- provided transportation for children with special needs to a day care centre;
- construction of access roads from rural areas to the municipality;
- publication of an advertisement for the recruitment of women for training in the areas of business idea and business plan development, entrepreneurship, managerial skills, and digital marketing;
- provision of social protection for the elderly through the establishment of home-based ser-

²⁰ ANNEX B II – TOR (final).doc 15 January 2016.

²¹ Annual progress reports on equal opportunities for women and men of the LSGUs for 2021.

VICES, provision of social protection for persons with special needs and construction of streets in populated areas;

- implementation of training programmes for caregivers of elderly persons and persons with disabilities in the community;
- cooperation with NGOs with the main goal of facilitating the access of women in rural areas to the labour market and economic empowerment of rural women, raising the awareness and knowledge of women artisans about entrepreneurship through training and their entry into the labour market;
- reconstruction and adaptation of rooms in a kindergarten, renovation of a day care centre for elderly persons and pensioners and construction and reconstruction of an agricultural road and local rural streets;
- public presentation on improving and advancing the position of women in the area of female entrepreneurship;
- in the local action plan, economic measures and activities are introduced that contribute to the encouragement of female entrepreneurship and the economic empowerment of women, with special emphasis on vulnerable categories that include women in rural areas;
- measure related to care and nursing of old frail persons and centres for early childhood development;
- a project aimed at acquiring new skills in the field of entrepreneurship, marketing, and digital marketing for women who are long-term unemployed or lost their jobs during the pandemic, and women from marginalized groups;
- community service programme for providing assistance to elderly persons;
- opening of a day centre for children with disabilities;
- a project for providing home-based assistance and care to the elderly by trained caregivers contracted for one year with the possibility of extension;
- provision of transportation for pupils in grades 6-9 in rural areas, and
- construction of four kindergartens.

Based on the above, it can be concluded that in 2021, only 40% of municipalities took specific actions to improve the situation in rural areas and the situation of women in rural areas.

Only with the continuous and complete commitment of all stakeholders in society will the process of promotion and development of rural areas, gender equality of women in rural areas, and their inclusion in the labour market be successful.

3.3.5. As part of audit activities, the audit team also conducted **field visits to women in rural areas in the planning regions** of the country in order to obtain information about the challenges faced by women in rural areas in their daily lives, as well as in the process of inclusion in the labour market. Based on field visits, interviews with women from rural areas in the eight planning regions, and 20 questionnaires submitted through the NFF, the audit determined the following:

- most of the women in rural areas do not own property, agricultural land, or agricultural machinery;
- most of them believe that it is not possible to make a living in agriculture and that one can engage in agriculture only as an additional activity to generate additional income;
- almost all women in rural areas stated that one of the greatest challenges regarding their inclusion in the labour market was the lack of kindergartens or organized transportation to the nearest kindergartens, as well as the lack of homes for the elderly;
- in almost all rural areas, the lack of outpatient clinics and general practitioners is a challenge, as women from rural areas have to travel to the nearest municipality, town, or settlement to exercise their rights to health care;
- absence of bank branches, post offices and opportunities for social life in rural areas;
- a significant proportion of rural women are employed in industrial zones situated in close proximity to rural areas, with the majority of them being young individuals;
- in relation to the measures from the national programmes and the IPARD Programme, they consider that the procedure is too slow, long and complex and requires extensive documentation, and that the process from application to approval and payment of the approved funds takes a long time;
- another challenge is the placement of agricultural products and the low purchase prices, which cannot cover the production costs;

- the access to economic, social, and health care rights for women in rural areas is not comparable to that of women in urban areas.
- need for greater involvement in the decision-making and policy-making processes at the local and national level;
- rural women often withdraw from the process of application for the measures implemented by the AFSARD due to the requirement to fund the measures themselves before they receive the approved funds;
- the improvement of living conditions is one of the most important factors for people to be able to live in a rural area;
- a significant number of rural women acquaint themselves with the competencies of the local self-government, participate in discussions with local stakeholders, and monitor the process of proposing the budget in the municipality to ensure that their requirements and demands are incorporated into the municipal's programmes and budget;
- they believe that professional services should be more present in the field to support farmers;
- the National Federation of Farmers provides significant assistance by organizing panel discussions, conferences, training events, and informing them about the measures and public calls implemented by the competent institutions in the country, particularly the AFSARD;
- women from rural areas believe that they need greater self-confidence, as well as support from their families, continuous education and training, opportunities to share experiences and information, and greater state support to be included in the labour market.

visits can also help determine the challenges women face, which can be taken into account in the development of future measures that will help improve their situations and overcome challenges, thus enhancing their inclusion in the labour market. Furthermore, this will improve the overall conditions in rural areas.

This situation highlights the necessity for competent institutions to take measures and implement activities in rural areas to overcome the challenges and barriers faced by women from rural areas in their daily lives, with the ultimate goal of improving the efficiency of the process of their inclusion in the labour market, encouraging them to stay in rural areas and preventing the process of emigration.

It is worth noting that field visits conducted by competent institutions can help identify the needs of women residing in rural areas while developing strategic documents, programmes, measures, and activities. These

PHOTO DOCUMENTATION FROM THE FIELD VISITS TO RURAL WOMEN



Purchase of equipment for production of buttermilk under Measure 115 - Support for an active female member of an agricultural household, village of Rzhanchichino - Municipality of Petrovec.

Growing peppers - process of production and drying of peppers, village of Gorni Podlog - Municipality of Kochani.



Collecting forest fruits and producing juices, fruit preserves, jams, herbs and teas, village of Gorno Kosovrasti - Municipality of Debar.

Cultivation of seedlings and production of grape malt, village of Timjanik - Municipality of Negotino.



Breeding of 25 honey bee families and growing figs, village of Furka – Municipality of Dojran.



Growing peppers for production of traditional relish “ajvar”, village of Palikura – Municipality of Rosoman.

SUCCESS STORY

The audit report will highlight the inspiring story of a successful rural woman. In 2000, she made the life-changing decision to move from the city to the village. In 2014, despite lacking prior experience in the field, she applied for a self-employment grant to the Employment Service Agency and received a non-refundable grant of 3,000 euro, along with relevant training. Using this grant and training, she established her own company as an individual farmer, specializing in keeping cows.

She currently owns 15 cows that produce milk, and she uses the milk to make burrata²², which is a unique product that no one else in the country produces. She sells the milk to a dairy factory and the burrata to well-known hotels and restaurants in Skopje.

In order to provide feed for the cows, she has taken 3 hectares of arable land on concession, where she grows clover and barley. Additionally, she has received funding from the MAFWM programmes, including 10,000 euro for a dairy farm for buttermilk production (certified food operator) and 6,000 euro for equipment through Measure 115 – Active female member in 2023. In the same year, she hired a woman from a rural area to assist her with logistics and marketing. She expressed satisfaction with her current income and a desire to continue this work in the future. The main challenge she highlighted is to find workers, as few people are willing to do this job.

We should view these successful rural women as role models and motivators for other women in rural areas.



²² Burrata is an Italian cow’s milk cheese made from mozzarella and cream.



CONCLUSIONS



4. CONCLUSIONS

Based on the audit results, we have gained reasonable assurance that the measures and activities for promoting gender equality of women from rural areas through their inclusion in the labour market, undertaken by the competent public institutions, are not sufficiently efficient and effective to include women from rural areas in the labour market and retain them in rural areas.

We have found that national strategies in this area provide a solid foundation for rural development. However, it is necessary to develop specific measures and activities tailored to the requirements of women in rural areas and their inclusion in the labour market. At the moment, women in rural areas and their inclusion in the labour market are not considered among the strategic priorities of the government. By establishing this as a strategic goal, the government will not only improve the situation for women in rural areas, but will also impact the prevention or reduction of emigration of people from rural areas.

There are measures that contribute to the improvement of the situation of rural women, such as the first gender-responsive measure – Measure 115 – Support of an active female member of an agricultural household, as well as measures for inclusion of women from rural areas in the labour market, which were developed by the MAFWM such as Measure 112 – Assistance to young farmers to start an agricultural activity, and Measure 7 – Farm diversification and business development.

Concerning the employment measures implemented by the ESARNM, they are applicable to all men and women in the country and there are no measures that are designed specifically to promote the inclusion of women from rural areas in the labour market. Furthermore, no disaggregated data is collected on the beneficiaries of the measures based on their rural or urban location.

To enhance the efficacy of the process of inclusion of women from rural areas in the labour market, it is imperative to design direct measures that will facilitate

the inclusion of women from rural areas in the labour market and ensure their participation in the development and design of these measures at the national and local level. It is also essential to provide greater support for women in rural areas through field visits and promotion of the government's measures to acquaint them with their opportunities and the methods and procedures for applying and using these measures.

It is imperative to increase the number of child care and education institutions and homes for the elderly as a crucial prerequisite for the inclusion of women from rural areas in the labour market. Additionally, it is imperative to enhance public services for women from rural areas, including but not limited to health, social, cultural, and public services, which are essential for residing in rural areas.

The continuation of the Programme for Social Security Support of Women Engaged in Agricultural Activities, as well as finding a permanent legal solution to this problem of women in rural areas, can contribute to improving the conditions of women from rural areas.

An integrated and comprehensive data collection system should be established to enable the analysis of available data for each measure individually. This system should allow for detailed analysis of the measures and their effects, as well as provide a complete picture of the situation for each measure.

The improvement of this process should generate multiple effects in several areas, taking into account the interconnection between the processes that take place or should take place in rural areas, where women play a crucial role.

Stereotypes and discrimination must be eliminated. Rural women possess the capability, knowledge, and desire to secure their future, become successful entrepreneurs, and contribute to the overall social progress.

RECOMMENDATIONS



5. RECOMMENDATIONS

The Government of the Republic of North Macedonia to undertake the following measures and activities:

1. In its Decisions on determining the strategic priorities define and specify priorities or goals related to the development of rural areas and the inclusion of women from rural areas in the labour market (point 3.1.5).
2. In cooperation with the MAFWM, adopt special laws to support completely abandoned areas or areas in the phase of significant depopulation that constitute a significant geographical territory (up to 4% of the total territory of the country), which will define a special set of policies and measures for a coordinated approach of different ministries, bodies and local self-government aiming at providing basic conditions for the revival of these areas (point 3.1.6).
3. In cooperation with the MLSP and the MAFWM, develop a national strategy for improvement of the situation of rural women including an action plan with a specific focus on their inclusion in the labour market or in the adopted strategies by areas, define specific measures and activities related to the inclusion of rural women in the labour market, with established deadlines for their completion, dynamics, and measurable indicators that can be used to monitor progress towards achieving the desired results and objectives (point 3.1.1, 3.1.2 and 3.1.3).
4. In cooperation with the MAFWM, continue the implementation of the Programme for Social Security Support of Women Engaged in Agricultural Activities and find a legal solution to overcome this challenge for women from rural areas (point 3.2.2).
5. Initiate and accelerate the implementation of the "50 villages, 50 stories" Project (point 3.2.3).

The Ministry of Agriculture, Forestry and Water Management to undertake the following measures and activities:

6. Regular monitoring of the implementation of the National Strategy for Agriculture and Rural Development including a mid-term review of the achieved results and strategic objectives, as well as an ex-post evaluation of the Strategy implementation and the outcomes achieved subsequent to the conclusion of the Strategy period (point 3.1.2).
7. Continue and intensify the activities of the National Rural Network to enhance the involvement of the stakeholders in the implementation of the National Programme for Agriculture and Rural Development, inform the general public and potential beneficiaries on the rural development policies, the possibilities for project co-financing and the sustainable development of rural areas, rural communities and rural regions (point 3.1.4).
8. Prepare and deliver annual reports on the implementation of the National Programme for Agriculture and Rural Development, the Annual Programmes for Financial Support in Agriculture and the Annual Programmes for Financial Support for Rural Development to the Government (point 3.1.7).
9. Adopt a by-law in accordance with the Law on Agriculture and Rural Development, which will determine the type of data, the method of their collection and delivery by the AFSARD to the MAFWM (point 3.1.7).
10. Review the criteria for Measure 115 - Support for an active female member of an agricultural household, with the aim of increasing the number of female applicants and exploring the possibility of providing an advance payment (point 3.2.6)
11. Initiate a procedure for development or procurement of specialized software for processing of received applications for approval of the measures from the IPARD Programme implemented by the AFSARD (point 3.3.3).

12. Promote greater involvement of women from rural areas in the development and design of measures in order to increase the efficiency of the process of inclusion of women from rural areas in the labour market (item 3.3.5).
13. Perform regular evaluation of the measures to determine their achievement and effectiveness in terms of empowering women and increasing production, income, i.e. the impact of financial support under the measures (3.2.4, 3.2.5, 3.2.6 and 3.2.7).

The Ministry of Labour and Social Policy to undertake the following measures and activities:

14. Adopt the National Action Plan for the implementation of the Strategy for Gender Equality 2022 - 2024 and ensure the implementation of the planned activities to achieve the goals and objectives set by the Strategy for Gender Equality (point 3.1.1).
15. In cooperation with the ESARNM, ensure that the updates of the National Employment Strategy, the National Action Plan, and the annual operational plans for active employment programmes and measures and services on the labour market will include specifically designed gender-responsive measures focused on rural women that will promote their inclusion in the labour market (point 3.1.3 and 3.2.1).
16. Prepare an analysis for rural areas to determine the need for constructing child care facilities for children of preschool age, including the timeframe, competent institutions and financial resources (point 3.3.1).
17. Prepare an analysis including priorities by regions, municipalities, timeframe and required financial resources and undertake activities for the construction and opening of public homes for the elderly in rural areas (point 3.3.2).
18. Promote greater participation of women from rural areas in the development and design of the relevant measures to ensure greater efficiency of the process of inclusion of women from rural areas in the labour market (point 3.3.5).

The Agency for Financial Support of Agriculture and Rural Development to undertake the following measures and activities:

19. Ensure timely payment of funds to the beneficiaries of Measure 115 – Support for an active female member of an agricultural household (point 3.2.6).
20. Ensure timely and regular implementation of the measures included in the National Programme for Agriculture and Rural Development (point 3.2.5, 3.2.6 and 3.2.7).
21. Accredite the measure Investments in rural public infrastructure, as well as prepare and build capacities for its implementation (point 3.2.4).
22. Explore the possibility of establishing a guarantee fund for women who apply for measures from the National Programmes and the IPA Programme for Rural Development (point 3.2.5, 3.2.6 and 3.2.7).
23. Under the Annual Programmes, publish public announcements for measures aimed at improving the quality of life in rural areas, reconstruction and development of villages, and preservation and promotion of traditional values in rural areas (point 3.2.4).

Employment Service Agency of the Republic of North Macedonia to undertake the following measures and activities:

24. In cooperation with the MLSP, evaluate and monitor the effect of the measures envisaged in the operational plans for active employment programmes and measures and services on the labour market, in order to determine whether they have achieved the desired effect in the long term (point 3.2.1).
25. Provide data and maintain records of the applicants and beneficiaries of the measures specified in the operational plans for active employment programmes and measures and services on the labour market by place of residence and location of operation of businesses by rural and urban areas (point 3.2.1).

ANNEXES





Republic of North Macedonia
Ministry of Labour and Social Policy
Department for Equal Opportunities



Reg. No. 17-1695/2
Date: 04.03.2024

/Stamp: Republic of North Macedonia
State Audit Office
Received 05.03.2024
No. 14-381/1/

Att.: State Audit Office

Subject: Opinion on Draft report
Reference: Your No. 13-183/4

The Ministry of Labour and Social Policy reviewed the Draft report of the Auditor General on the conducted performance audit "Gender equality of women in rural areas through their inclusion in the labour market" and we consider that the Report contains relevant data and we highly appreciate its preparation.

We would like to inform you that recommendations 15 and 18 of the submitted Audit report will be taken into consideration when developing future measures intended for women and their inclusion in the labour market, in consultation with the ESARNM and other relevant stakeholders.


Sincerely yours,

/official seal of the MLSP and signature affixed/

MINISTER
Gjoko Velkovski

Prepared by: Selver Zendeli /signature/
Translation:
Controlled by: Kadrije Mustafa /signature/
Approved by: Svetlana Cvetkovska /signature/
Agreed by: Jasmina Ivanova /signature/

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Republic of North Macedonia e-mail: mtsp@mtsp.gov.mk

	<p>Republic of North Macedonia Agency for Financial Support of Agriculture and Rural Development</p> <p style="text-align: right;">/Stamp: Republic of North Macedonia State Audit Office Received 26.02.2024 No. 13-183/9/</p> <p>Att.: Maksim Acevski - Auditor General State Audit Office Pavel Shatev no. 1, Palata Emanuel Chuchkov 1000 Skopje</p> <p>Subject: Reply to the Draft performance audit report "Gender equality of women in rural areas through their inclusion in the labour market" Reference: Reg. No. 13-183/7 of 02.02.2024</p> <p>Dear Mr. Acevski,</p> <p>Regarding the Draft performance audit report "Gender equality of women in rural areas through their inclusion in the labor market", we hereby submit the following reply prepared by the employees of the Project Approval Department and the Department for Analytics and Support to the Director:</p> <p>Finding 3.33. The audit examined the method of submitting applications for approval of measures implemented by the AFSARD and determined that the submission of applications is still carried out by delivering the applications to the documents management office or by mail. There is no electronic system for applying for measures under the IPARD Programme that is implemented by the AFSARD.</p> <p>In April 2019, activities were initiated within the framework of the IPA II 2015 Project entitled "Customized Software for Integrated Administrative and Control System (IACS) of Agriculture and Rural Development Support". It is planned that its implementation will be carried out over a period of 24 months in order to provide the MAFWM with access to standard sets of reports/data maintained by the AFSARD, which refer to the indicators related to the implementation of support measures in agriculture.</p> <p>According to the agreement, the goal of the project is to enhance the system's interoperability and effectiveness by developing a new Integrated Administration and Control System (IACS) software within the AFSARD. The purpose of this project is to develop and integrate all elements of the software that supports the entire process of submission of aid applications, processing of applications, and control of the use of national agricultural funds for direct support measures (including rural development measures) and market support measures.</p>	<p>No. 32-46/6 Skopje 22.02.2024</p> <p>Agency for Financial Support of Agriculture and Rural Development</p> <p>Treta Makedonska Brigada 20 (Building of Makedonija Tabak Block C) 1000 Skopje Republic of North Macedonia Tel: +389 (0) 2 3097450 Fax: +389 (0) 2 3097454 Email: ipardpa.info@ipardpa.gov.mk Website: www.ipardpa.gov.mk</p>
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This will include a single system to record the identity of each beneficiary of the support, submission of aid application, administrative controls, Land Parcel Identification System (LPIS) including geospatial aid application, risk analysis, on-the spot control, authorization of payments and reporting in line with EU requirements and international auditing standards.

The deadline for the mentioned project has passed and the European Delegation in the Republic of North Macedonia is expected to present the report. The Programme for Financial Support of Rural Development was not covered by the project activities, specifically, the measures under the rural development programmes were not planned to be part of this project. It should be noted that the implementation of the process outside an electronic system does not allow for automation of the process, and the human factor has an impact when processing applications. Furthermore, by employing this approach, the task of the AFSARD is rendered more challenging, taking into account the limited personnel resources available to it, as well as the potential for subjectivity in the processing of these data.

In this regard, it is imperative to initiate a procedure for the development or procurement of specialized software to process the received applications for the measures under the IPARD Programme implemented by the AFSARD. This will ensure the highest level of automation of the process. Another alternative is to initiate the installation of a module that can be utilized for this purpose within the project that is currently being implemented.

Reply to Finding 3.33.

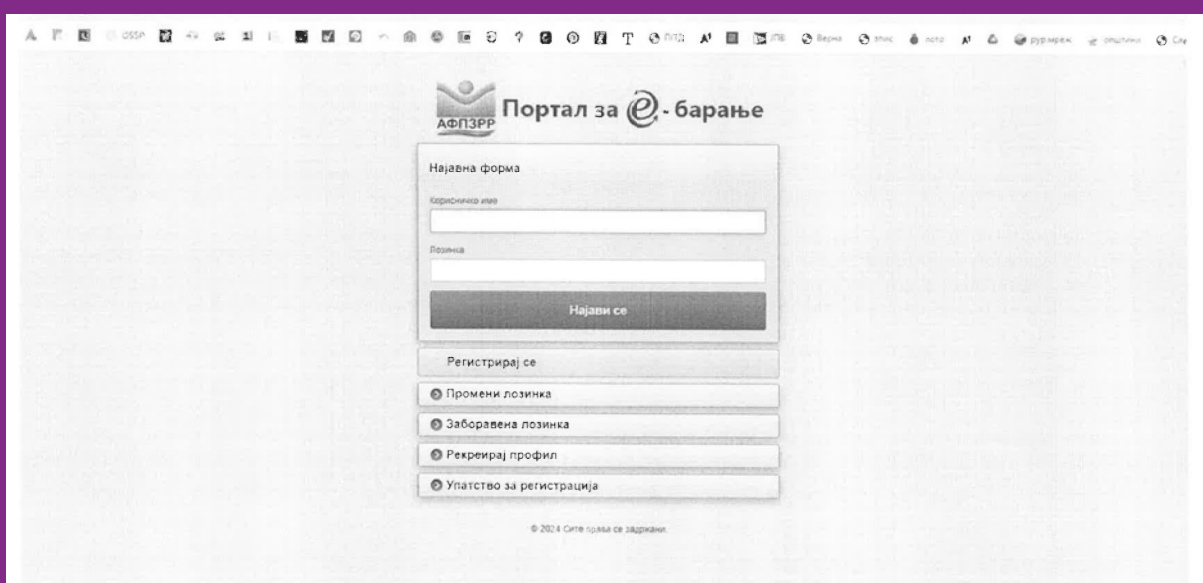
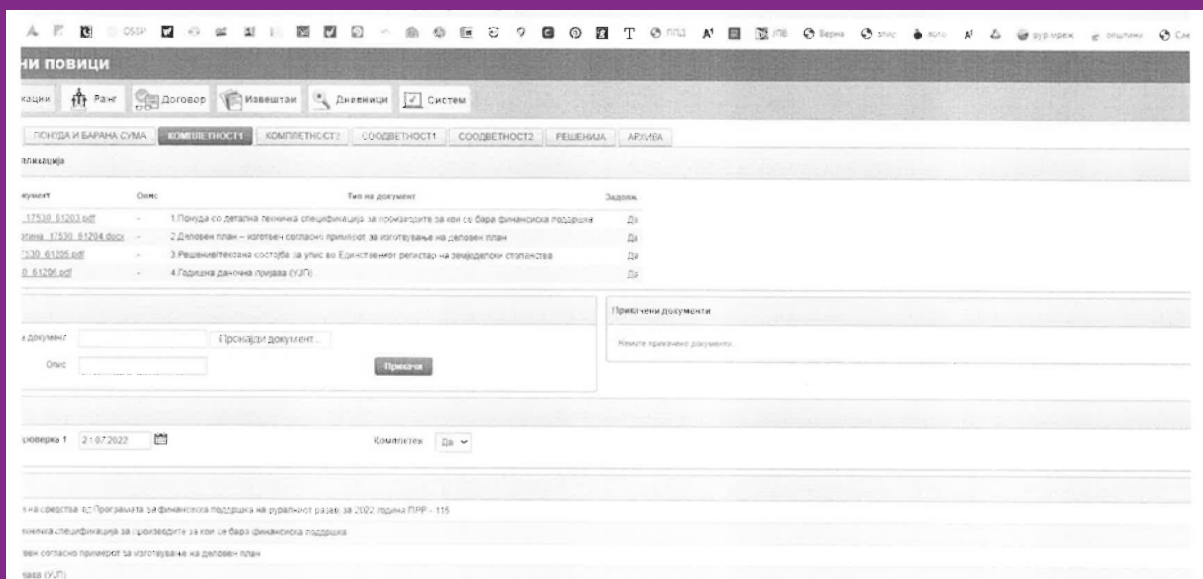
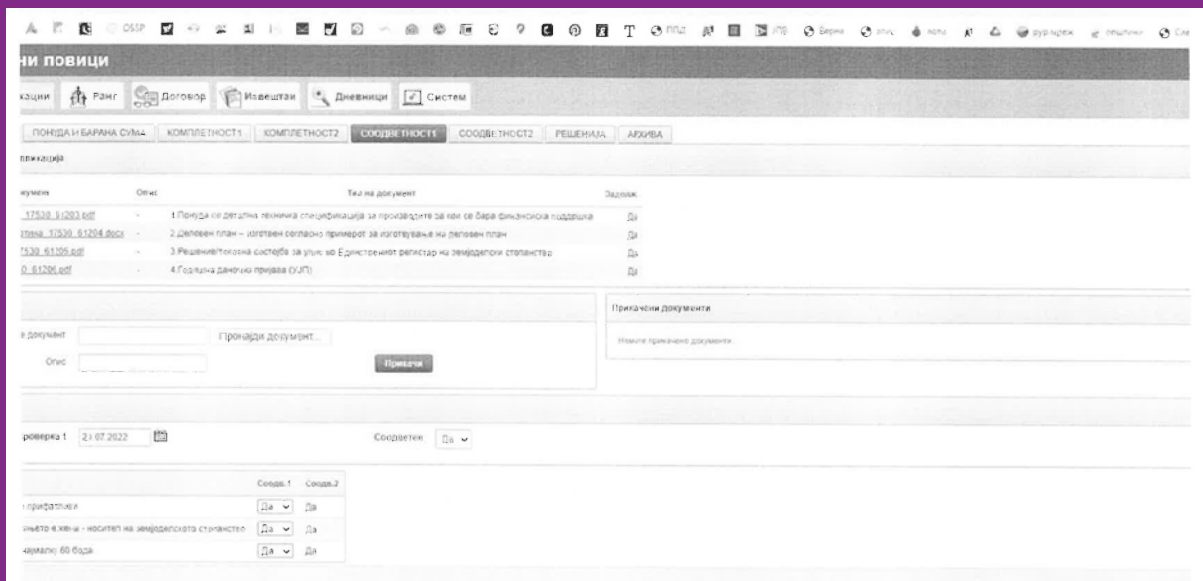
The Project Approval Department, i.e. the Unit for Implementation of the National Programmes for Rural Development, Fisheries and Aquaculture, has been using software since 2015 for electronic application and processing of applications under the national programmes, while the hard copies of the original documents are delivered to the document management office or by mail to ensure their authenticity (signed and stamped by the legal entities). In addition, checklists are filled out electronically and included in each application.

In connection with the IPA II 2015 Project entitled "Customized Software for Integrated Administrative and Control System (IACS) of Agriculture and Rural Development Support", the goal of which is to enhance the system's interoperability and effectiveness by developing a new Integrated Administration and Control System (IACS) software within the AFSARD, it should be noted that this software is applied in the implementation of the measures from the IPARD Programme and direct payments in agriculture, however, it is not applied in the measures from the rural development programmes implemented by the Agency for Financial Support in Agriculture and Rural Development.

We are hereby enclosing a print screen of an e-application, completeness checklist, and suitability checklist, generated by the electronic application software.

Sincerely yours,

	<p style="text-align: center;">/official seal of the AFSARD and signature affixed/</p> <p style="text-align: center;">Director Nikica Bachovski</p> <p>Prepared by: Sedat Bislimi /signature/ Controlled by: Svetlana Ristevska /signature/ Approved by: Marija Blagoeva /signature/</p>	
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**REPLY
TO THE REMARKS AND COMMENTS ON
THE DRAFT REPORT OF THE AUDITOR GENERAL**

Remarks and comments were received on the Draft report on the conducted performance audit on the topic “Gender equality of women in rural areas through their inclusion in the labour market”, specifically:

- Remarks, number 32-46/2 of 22.02.2024 from the responsible person of the Agency for Financial Support of Agriculture and Rural Development, Mr. Nikica Bachovski, filed in the State Audit Office under number 13-183/9 of 26.02.2024 and
- Comments, number 32-1695/2 of 04.03.2024 from the responsible person of the Ministry of Labour and Social Policy, Mr. Gjoko Velkovski, filed in the State Audit Office under number 14-381/1 of 05.03.2024.

The submitted remarks and comments on the Draft report have been considered by the Auditor General and the following has been established:

Remarks of Mr. Nikica Bachovski - Director of the Agency for Financial Support of Agriculture and Rural Development

1. The remark on the established situation in point 3.3.3, which refers to the analysis of the method of submitting applications for approval of the measures implemented by the AFSARD, is partially accepted. The established fact that the applications are submitted by mail or directly to the documents management office, in the Final Report of the Auditor General shall be amended to clarify that this method of submitting applications refers to the measures from the IPARD Programme.

Comment of Mr. Djoko Velkovski - Minister of Labour and Social Policy

2. The comment on the Draft report on the conducted audit submitted by the Ministry of Labour and Social Policy is a notification that the Report contains relevant data and its preparation is highly appreciated. In addition, it states that recommendations 15 and 18 shall be taken into account in the future development of measures intended for women and their inclusion in the labour market in consultation with the ESARNM and relevant stakeholders.

