



NATIONAL FEDERATION
OF FARMERS

MULTIDIMENSIONAL POVERTY ANALYSIS

in the Republic
of North Macedonia



March 2022

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Content

Methodology, analytical approach and indicators of poverty	6
Development context	9
The political and institutional context	9
Rule of law, judicial system and mechanism for accountability and corruption	10
Freedom of expression and association.....	10
Gender and Ethnic Inequality.....	11
Economic and social context	12
Equal access to labor market of women and youth.....	13
Demographic development in rural areas.....	15
Environmental and Climate Context	19
Sustainable management of natural resources.....	19
Climate change.....	19
Conflict and Peace Context	20
Political aspects as a precondition for conflict	21
The Four Dimensions of Poverty	23
Poverty level in the country - sample perspective	23
Access to resources	26
Access to education.....	26
Access to health services.....	27
Income and access to capital.....	28
Agriculture and access to markets	31
Access to information and social capital.....	33
Conclusion	34
Vulnerable groups	36
Young people.....	36
LGBTI.....	37
Roma population.....	37
Women.....	37
Other vulnerable categories in rural areas.....	38
Bibliography	39



NATIONAL FEDERATION OF FARMERS

The National Federation of Farmers - NFF, from May 2021, started the implementation of the project Organizational Development of NFF and Improved Market Linkages for the Small Farmers and Food Producers from the Rural Areas Aiming at Increased Income, supported by the Swedish International Development Cooperation Agency - Sida and the Swedish development organization We Effect.

The expected outcomes of the project are the following:

Outcome 1: Growth of rural areas enterprises and small farmers in order to increase and provide higher income and employment opportunities in rural areas, especially for women and the young.

Outcome 2: Increased organizational capacity and financial stability of the NFF. The focus is to ensure organizational development and financial sustainability to continue lobbying and activism of the organization, but also to develop new services that will provide new sources of income.

This projects also provides the second edition of the Multidimensional Analysis of Poverty of RNM providing numerous data and aiming at presenting a clear picture of the problems and challenges created by poverty in urban and rural areas.

Referring to World Poverty and the Poverty in North Macedonia

“Overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life.”

Nelson Mandela
(former President of South Africa)

According to the United Nations definition, poverty is defined as a denial of choices and opportunities, a violation of human dignity, that is, lack of basic capacity to feed and cloth[e] a family, not having a school or clinic to go to. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation.”¹

By using the “Multidimensional Poverty Assessment Tool”, the purpose of this document is to provide an overview of the various aspects that address and shape poverty in the Republic of North Macedonia. This approach supports the understanding of multiple deprivations and how different power relations, structures, conditions and issues coincide to keep people in poverty. The model identifies four interrelated dimensions of poverty - resources, opportunities and choices, human security and power and voice. Primary and secondary data sources are used for the purposes of the analysis. Field research (survey) is a new approach that complements and upgrades data from secondary sources that have so far been the basis of analyzes of this kind. Poverty is a global trend. According to the World Bank, about 9.2% of the world, or 689 million people, live in extreme poverty with less than \$1.90 per day. An estimated 1.3 billion people in 107 developing countries (22% of the world’s population) live in multidimensional poverty. The EU is not spared from this phenomenon either, with 96.5 million people in the EU at risk of poverty or social exclusion, which is 21.9% of the EU population. An additional 119–124 million people were thrown back to extreme poverty in 2020 due to the COVID-19 pandemic. The projected global poverty rate by 2030 is 7%. Children and young people make up two-thirds of the the poor worldwide, where women constitute the majority in most regions (644 million children face multidimensional poverty). About 70% of people over the age of 15 living in extreme poverty, do not even have any access to education or have only primary education.

¹ Top 10 Poverty Quotes from Famous Humanitarians (borgenproject.org)



According to the World Population Survey (2020), the countries of the Western Balkans are on the list of the ten poorest countries in Europe. With \$ 5,888 per capita, North Macedonia is ranked on the 6th position. About 450,000 of the population of North Macedonia (21.5%) suffer from some form of poverty. More than 9.1% of the population lives on less than \$ 2 a day, and this situation is one of the main reasons why 600,000 citizens have emigrated from the country.

Methodology, analytical approach and indicators of poverty

The analysis in this paper is based on a Multidimensional Poverty Analysis toolbox developed by the Swedish International Cooperation Agency (Sida). It has been used as a basis for the development of a number of strategies of an international organization in the field of their intervention in the fight against poverty. The multidimensional tool for poverty is briefly elaborated in the section given below.

Analytical tool for multidimensional poverty-four dimensions of poverty

(Instructions of the We Effect program)

1. RESOURCES - not having access to or power over resources necessary to that can be used to sustain a decent standard of living and (Instructions improve one's life. Resources can be both material and non-material – e.g., a **decent income, capital, being educated or trained, professional skills, being healthy, time and spare time, social and family networks, marital status, etc.**

2. OPPORTUNITIES and CHOICE – the possibility to develop and/or use resources so as to move out of poverty Access to e.g., social services (including accessibility to services), to infrastructure, capital, land, social status, or the access to natural resources affect opportunities and choices.

3. POWER AND VOICE - the ability of people to express their concerns, needs and rights and to take part in decision-making that relate to these concerns. Power is a relational concept that allows us to better understand socio-cultural hierarchies and relations of which gender is one, others include for example age, class, religion, ethnicity, race/skin color, ability/disability and sexual identity. Reinforcing forms of discrimination based on such economic and socio-cultural relations may give rise to individual poverty in this sense.

4. HUMAN SECURITY - violence and insecurity limit the possibility of to different groups and individuals to exercise their human rights and find the escape from poverty.

Development context (outer circle):

A. In the **POLITICAL AND INSTITUTIONAL CONTEXT** includes formal institutions, rule of law, and human rights as well as social norms and informal institutions and power structures.

B. ECONOMIC AND SOCIAL CONTEXT includes market development, value chain, market access, land legislation, micro finance (including housing finance), insurance, demographic development in rural areas

C. The **ENVIRONMENTAL AND CLIMATE CONTEXT** includes climate change impacts (ongoing and coming), natural resources management, water, and waste management.

D. PEACE AND CONFLICT CONTEXT include social tensions, fragility, crime and violence, internal and external security situation linked to conflicts and to economic development as well as justice.

Primary and secondary data sources are used for the purposes of the analysis. Data collection took place in two phases. In the first phase, the secondary data sources (statistical data, reports, studies, websites, etc.) were reviewed, which resulted in identifying the development context of multidimensional poverty in the country (political and institutional context, economic and social context, environmental and climate context as well as peace and conflict context). To get to the heart of the problem of poverty, the second phase included field data collection in order to identify the four dimensions of multidimensional poverty, i.e., access to resources, opportunities and choices, power and voice of the population, as well as human security.

The field research was conducted through a survey of the population not only from rural but also urban municipalities in the country in order to make a comparison. The target group included in the survey is mostly the population engaged in agricultural production, although part of the sample includes exceptions in order to make a comparison. The sample included 103 households from 25 cities and 78 villages across the country, in all eight regions in the country, in 37 municipalities (of which 24.3% are urban municipalities, while the rest are rural municipalities), 15 cities and 56 villages (of which 62.8% belong to urban municipalities and the rest to rural municipalities). Most of the sample (75.7%) or 78 households belong to the rural population, while the rest are households from urban areas. The sample was selected paying attention to gender equality of the respondents in order to determine the similarities and differences in gender perspectives regarding poverty level. The sample selection and survey were conducted by the National Federation of Farmers (NFF) in the period from 1 to 15 February 2022. The questionnaire was available in electronic form (Microsoft Forms Office 365) in order to avoid possible data entry errors by respondents, as well as to simplify the creation of the database.

The questionnaire was prepared by experts in consultation with the NFF. It was comprised of closed questions so that it derives specific answers from the respondents. The respondents had to select from a list of given options. In some cases, Likert scaling method from 1 to 5 is included when assessing a certain dimension of poverty. Some of the questions have a binomial character (i.e., “YES = 1” and “NO = 0”) to simplify the questionnaire. The questionnaire contains mostly descriptive data, due to the qualitative nature of the analysis. Therefore, the first part of the questionnaire is the general overview of the respondent and his/her household, and other parts refer to the different dimensions of multidimensional poverty. For example, the second part of the questionnaire seeks to describe respondent's resource access, the third part - the level and access to education, the fourth part - health services, the fifth part - household income and access to capital, and the sixth part - access to information and social capital.



The results obtained from the field research (survey) are entered in a pre-prepared electronic database, and then properly processed, mostly with descriptive, or even more advanced statistical methods where possible. Different descriptive methods are used depending on the nature of the variables, i.e., whether they are numerical, qualitative or ordinal. These results provide an overview of the inner circle of the Multidimensional poverty analysis toolbox in the Republic of North Macedonia, namely access to resources, opportunities and choice, power

and voice of the population, as well as human security. The strata related to gender were especially addressed, thus providing an inclusive and a comprehensive analysis.

Development context

This part includes development context analysis: political and institutional context, economic and social context, environmental context, peace and conflict context.

The political and institutional context

**Formal institutions, rule of law and human rights,
also social norms and informal sector**

Politics in the Republic of Macedonia is practiced within the framework of a parliamentary representative democratic republic, and the Prime Minister is the Head of the Government. The country operates within a multi-party system, but parliamentary work in the country is still characteristically polarized, with the two main political parties (SDSM and VMRO-DPMNE) and four Albanian parties (Democratic Union for Integration, Democratic Party of Albanians, Besa and the Alliance of Albanians) as main actors on the political scene. The situation with the COVID-19 pandemic further affected the functioning of the parliament and the need arose to strengthen the political dialogue. The Government has the executive power, as for the Parliament, it rules the legislative power. The Judiciary stands independently from the legislative and the executive power. Elections are held every four years, and the last ones were held in 2020.

Women participate with 20% in the ministerial positions, 7% as Deputy Ministers and 25% in the role of Secretaries of State. The number of female MPs (47 out of 120, i.e., 39%) has decreased by one MP compared to the previous legislature. The number of non-majority communities has currently reached its peak (42, that is, 35%) The “Club of Parliamentary and All-Party Parliamentary Groups for Youth, LGBT, Persons with Disabilities and Roma” has recently started functioning. Among a total of 299 mayoral candidates, 8% are women. Women’s share from all councilor candidates is 45%, they hold 19 % of the candidate lists thus taking the lead with 111 candidates.

According to the latest EU report (2021), North Macedonia is moderately prepared for public administration reforms. In the past, a special law was adopted to address the issue of public sector employees who are employed without any official and actual engagement on the position. Presence of women in the public service remains above 50%, including also the middle management. However, women are less in number on senior management positions. Minorities are inconsistently present in the public sector and other categories of civil servants. The principle of equitable representation of men, women and ethnic groups should be applied throughout the public sector.

Rule of law, judicial system and mechanism for accountability and corruption

The judiciary system is moderately prepared for compliance with the one of the European Union. At the end of 2020, the judicial system consisted of 493 judges (23 per 100,000 inhabitants) - 61% female judges and 187 prosecutors (9 per 100,000 inhabitants) - 55% female prosecutors. Compared to 2019, there is a slight decrease in the number of judges and prosecutors for 2020. The implementation of the Judicial Reform Strategy (2017-2022) continues. The country is also **moderately prepared in the prevention and fight against corruption.** In April 2021, the Parliament adopted the National Strategy 2021-2025 for the Prevention of Corruption and Conflict of Interest and the related Action Plan. Cases initiated by the former Special Prosecutor's Office (SPO) continued to be conducted. North Macedonia continues its efforts to strengthen democracy and the rule of law, by impelling the existing controls and coherence and by accessing key political and legislative issues.²

Freedom of expression and association

Civil Society Organizations continue their active participation, retaining their important role in the reform process in the country. In the context of the challenges they face in recovering from the COVID-19 crisis, governmental and non-governmental actors are expected to build long-term partnerships and strengthen existing cooperation. As for **freedom of expression**, the general environment in the country is conducive to media freedom and allows for critical media reporting, although some tensions were noted during reporting on the COVID-19 pandemic. The media were included in the aid package, but certain aspects of journalists' labor rights have yet to be addressed.



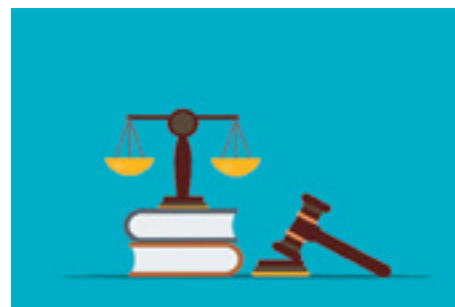
In the process of media freedom, it is necessary to ensure greater transparency, independence and financial sustainability in terms of media advertising by state institutions and political parties. Gender stereotypes remains, and women in public life are still susceptible to social media attacks.³

² EU COMMISSION STAFF WORKING DOCUMENT North Macedonia 2021

³ EU COMMISSION STAFF WORKING DOCUMENT North Macedonia 2021

Gender and Ethnic Inequality

The Republic of North Macedonia has a mixed ethnic structure, with 64.2% Macedonians, 25.2% Albanian population, Turks 3.9%, Roma 2.7%, Serbian 1.8%, others 2.2% (2002 estimation). Due to their unregulated status, the Roma population is often considered underestimated in official statistics, but the results of a census conducted after almost 20 years in 2021 are expected to give a fair picture of the country's ethnic structure. The legal framework for the protection of fundamental rights is largely in line with European standards, but further commitment is needed at both local and national level in order to further increase trust between ethnic communities. Interethnic relations are relatively stable, and the Ohrid Framework Agreement continues to be implemented. The Law on Prevention and Protection against Discrimination and the Commission for Prevention and Protection against Discrimination are in force, and the adoption of the Strategy for Gender Equality 2021-2026, National Strategy for Equality and Non-Discrimination 2022-2026 is in process. The country has ratified many of the international human rights instruments. Proper collection and analysis of gender statistics requires strengthening the capacity of relevant institutions and improved coordination. The legal framework for the protection of the rights of the child is largely in line with international standards.⁴ In 2020, moderate progress has been made in efforts to eliminate the worst forms of child labor. The Ministry of Education and Science continued to engage additional educational mediators in order to remove educational barriers for the most vulnerable populations, including Roma children.⁵



The Constitution of North Macedonia guarantees freedom of expression, freedom of speech, the right to access information and the establishment of public information institutions. It also guarantees the freedom to receive and transfer information and prohibits censorship. Additionally, the Law on Prevention and Protection against Discrimination defines the grounds for discrimination by sex, race, color, belonging to a marginalized group, ethnicity, language, citizenship, social origin, religion or belief, education, political affiliation, personal or social status, mental or physical disability, age, family or marital status, property status, health and other grounds. From 2019, the Law incorporates for the first time as discrimination grounds the sexual orientation.⁶

⁴ EU COMMISSION STAFF WORKING DOCUMENT North Macedonia 2021

⁵ <https://www.dol.gov/agencies/ilab/resources/reports/child-labor/north-macedonia>

⁶ <https://www.refworld.org/pdfid/5aa12ad47.pdf>

Economic and social context

Market development, value chain, market access, Land Law, microfinance (including housing financing), insurance, and rural development demographics.

During 2020, similar to the situation on a global scale, the COVID-19 pandemic and the subsequent protection measures taken had a strong impact on the domestic economy. **Economic activity dropped** by 4.5%, amid a decline both in domestic and export demand. The decline in economic activity adversely affected almost all economic activities. The service sector, construction and industry were particularly affected, as activities that are most exposed to social distance measures and disrupted production chains on a global scale. The measures have contributed to mitigating the adverse effects on the economy and indirectly on the financial sector, with the aim to preserve the financial stability. However, uncertainty remains high, with pronounced risks to economic growth.⁷

According to the estimated data of the State Statistical Office, the growth rate of gross domestic product (GDP) for the fourth quarter of 2021 was 2.3%. In the pandemic, the fiscal deficit rose to 8.2% of GDP in 2020, while the level of public debt rose sharply to 60.2% of GDP, due to the need to cover additional financial needs. Net external debt in 2021 was higher by 1.2% as a percentage of GDP compared to that of 2020, as a result of increased public and private borrowing, or over 3.3 billion euros (28.2% of GDP).⁸ The business environment continues to be burdened by the still existing informal economy.⁹ Agriculture, Forestry and Fishery share of the total GDP faces continual decrease which in 2019 amount to 8.1% (7.1% in the third quarter of 2021).¹⁰ The new situation with the Russo-Ukrainian war has already led to serious distortions of macroeconomic flows. At the moment we are witnessing a rise in the general price level and even greater growth of inflation is expected, which anticipates greater poverty surge in the country.



⁷ Report on financial stability in the Republic of North Macedonia in 2020, National Bank of the Republic of North Macedonia, Directorate for Financial Stability, Banking Regulation and Banking settlement, https://www.nbrm.mk/content/Regulativa/FSR_2020_MKDN.pdf

⁸ <https://faktor.mk/nadvoreshen-dolg-na-makedonskata-ekonomija-vs-rusko-ukrainskata-kriza->

⁹ EU COMMISSION STAFF WORKING DOCUMENT North Macedonia 2021

¹⁰ MAKStat, SSO 2022

Equal access to labor market of women and youth

The labor market in North Macedonia experienced serious disruption during the COVID-19 crisis, yet unemployment rate marks slight decrease from 17.4% in 2019 to 16.6% in 2020 and 16% in 2021¹¹ According to the Global Gender Gap Report 2021, equality in the country has improved and reached a score of 0.715 (compared to 0.635 points in 2020, 1.00 is parity), with a wage gap of 12% in 2019. In 2020, the employment rate (20-64) was 68.9% for the male population, compared to 49% for women - a high gender gap in employment of 19.9% points. Unemployment of young people remains high, recently supported by the government's youth guarantee schemes. Women and young people are particularly exposed to the problem of unemployment and inactivity, as are people with disabilities and low-skilled workers. About 80% of the unemployed are long-term unemployed, which largely reflects skills mismatch. The share of informal employment of the total number of employees remains high, i.e., around 14% in 2019, according to government data (although in a continuous decline since 2015). On average, the tax system is regressive, with the tax rate having the greatest effect on low-income earners.

Positive economic growth supported by growing employment opportunities, rising salaries and social expenditures contributed to the reduction of poverty from 27% in 2010 to 21.5% in 2015. Since 2015, the share of the population living in poverty has remained stable at around 22% (Figure 3). **The groups most at risk** are families with children (45.3%), households with single parents (42.8%) and the unemployed (41.7%). Employees and retirees have the lowest poverty rate (around 10%), although the percentage of employed poor (i.e., the share of workers earning below the poverty line) was 8.3% in 2019, due to the high number of employees working on poorly paid and low productive working positions. This situation has visibly changed during the COVID-19 crisis which will have long-term consequences on the labor market. The National Employment Strategy 2021-2027, through coordinated policy actions covering education and training, the development of the economy and enterprises and labor market policies, sets guidelines for dealing with the consequences of the pandemic and ensuring equal opportunities for decent employment for all men and women in the Republic of North Macedonia.¹²

The low level of poverty reduction in the last few years can be attributed to the low effectiveness of the social assistance system and the low intensity of work activity of the poorest households. Social transfers (excluding pensions) reduce the number of people at poverty risk by approximately 32.4% in EU countries, while in the Republic of North Macedonia, social transfers reduce the risk of poverty by only 14.9%. The reform of the social protection system adopted in 2019 increases the amount of assistance and is expected to improve the situation of those categories of citizens who are most at risk (only 34% of the poorest category of citizens received some kind of social assistance - 2016).¹³

¹¹ SSO, 2022 <https://www.stat.gov.mk/KlucniIndikator.asp>x

¹² NATIONAL EMPLOYMENT STRATEGY 2021-2027 YEAR with Employment Action Plan for 2021-2023. 2021. Government of the Republic of North Macedonia, Ministry of Labor and Social Policy

¹³ NATIONAL EMPLOYMENT STRATEGY 2021-2027 YEAR with Employment Action Plan for 2021-2023. 2021. Government of the Republic of North Macedonia, Ministry of Labor and Social Policy

According to the data of the State Statistical Office, the number of **adult beneficiaries of social protection** was 43.040 persons and 14.758 minors in 2017. The number of households, i.e., households receiving guaranteed minimum assistance has increased from 26.160 in 2017, to 35.500 in 2021, which is an increase for more than 9.000 households.¹⁴ The Laeken poverty indicator of poor or socially excluded was about 40% with no major gender differences. About 30% of the population cannot afford at least 4 out of 9 needs (equal percentage distribution by age groups in the period from 2017 to 2019). Women are still the most inactive group in the population, household chores being in their main focus. In 2020, a slight decrease was registered in the percentage of inactive women aged 20-64, but this percentage is still high and is 59.3% (61.6% in 2019 / 62.3% in 2018).¹⁵ Findings from the Covid 19 Impact Survey on men and women show that the gender differences in the sample in terms of labor market status of the respondents reflect the official statistics regarding the existing gender gap in employment, unemployment and inactivity on the labor market of women and men. Namely, employment is higher among men, where more than half (55 percent) are employed, as opposed to 39% employed women. Among women, almost half (49%) are inactive on the labor market, compared to 37 percent referring to the male population. In terms of unemployment, the gender differences are smaller, however unemployment is higher in women with 12% of them having the status of unemployed, compared to 8% unemployed men. Gender differences are evident in terms of different age groups where men have higher employment compared to women in each of the different age groups. The highest percentage of employed women and men is in the age group 35-44 years, 61% for women compared to 86% for men. Unemployment for both women and men is highest for the age group of 45-54, where 21% of women versus 15% of men are unemployed. In terms of labor market inactivity, the highest inactivity among men is among young people between the ages of 18-34, where 43 % are inactive (compared to 49 % in the same age group for women). For women, the highest percentage of inactivity is in the age group 55-64 (66%), while for men in the same age group 30 % are inactive. The largest percentage of employed women (97%) and men (94%) work with formal employment contracts, but more men (6 %) compared to women (3%) work with informal employment contracts.¹⁶

In the eponymous analysis, the findings show that there is an increase in time spent in care activities and household chores are greater for those who live in marital/partner relationship and have children. The degree of unequal division of responsibilities in the home when it comes to housework is illustrative with findings showing that 30% of men do not normally cook, 15% do not normally engage in household management activities, and 14% do not clean and maintain hygiene in their own home. The findings indicate a deepening of existing gender inequalities in terms of time spent in unpaid work at home, i.e., the pandemic significantly affected the duration of time women spend at home, taking care of children and others.

¹⁴ EU COMMISSION STAFF WORKING DOCUMENT North Macedonia 2021

¹⁵ State Statistical Office, Mak Stat database, 2022

¹⁶ https://eca.unwomen.org/sites/default/files/Field%20Office%20ECA/Attachments/Publications/2020/09/RGA_The%20Impact%20of%20COVID-19_NM_MK_Final_2020_09_29-min.pdf

Respondents in urban areas believe that with the onset of the crisis, the number of hours spent cooking, cleaning and managing the household, caring for children and their educating has increased, while respondents in rural areas have spent more time in activities such as carrying water and firewood and assisting/caring for the elderly/sick/adults and/or persons with disabilities. These findings reflect the situation with the differences that exist between urban and rural areas referring to the social infrastructure access. Namely, in urban areas there is greater access to care institutions (kindergartens, specialized centers and homes for care of adults and people with disabilities), there is better road infrastructure and public transport, as well as greater opportunities for hiring paid workers who perform various household activities as well as child care (these workers are mostly women again). Limited access to kindergartens in rural areas forces families with children to rely more on the help and support of family members and the wider family, relatives and friends. With the onset of the pandemic and the application of isolation measures, closed care institutions as well as the loss of opportunities to hire paid domestic workers affect more citizens of urban areas and all this results in increased number of hours spent in care and household chores. The findings show a gender difference in the type of activities performed by women and men. Namely, women spend more time cooking, cleaning, caring for and supporting children and the elderly, while men spend more time shopping for groceries and playing with children.¹⁷

Demographic development in rural areas

Rural areas in North Macedonia cover about 88.7% of the territory, and 47.5% of the total population lives in these areas. A trend of massive emigration is noticed especially in the rural areas, especially in the recent years. About 50% of the rural population is active on the rural labor markets, with high employment rates of 70% noticed in rural male population. The unemployment rate among the male population has decreased in recent years, while it remains almost unchanged among the female population. Improving market access for women farmers should remain a major focus of agricultural policies. Initial progress has been made on gender budgeting, although further steps need to be taken in order to obtain bigger results in reference to this issue. In the first phase, 250 women farmers received financial support to expand their businesses under the new measure 115 (Support for an active female member in the agricultural household) stipulated within the Rural Development Program.¹⁸

The access to resources and opportunities for economic and social empowerment between men and women in rural areas is limited, so the number of women entrepreneurs within the total number of farmers is only 10.4%, and only 12.01% of women are landowners with low participation in the decision-making process addressing production activities. Due to the disadvantaged position of women as a share in the labor force and in terms of family income, young women in rural areas often do not see their future in agriculture and are willing to stay in rural areas only if they are able to get another type of employment.¹⁹

¹⁷ https://eca.unwomen.org/sites/default/files/Field%20Office%20ECA/Attachments/Publications/2020/09/RGA_The%20Impact%20of%20COVID-19_NM_MK_Final_2020_09_29-min.pdf

¹⁸ <https://www.unwomen.org/en/news/stories/2021/10/feature-women-agricultural-producers-in-north-macedonia-get-help-to-grow-their-businesses>

¹⁹ MAFWE, (Ministry of Agriculture, Forestry and Water Economy), 2021. National Strategy for Agriculture and Rural Development for the period 2021-2027.

The agricultural sector is characterized by small agricultural households with more diverse production, half of which are less than 1 ha. Larger farms (agricultural companies) represent about 1% of the total agricultural population and cultivate about 10% of the total arable land. About 80% of agricultural land is private, while the remaining 20% is state-owned. Agricultural statistics are partially in line with EU law. The research on the farm structure was postponed due to COVID-19. The agricultural land market is not functional enough and there is no dynamics in the supply.²⁰

In order to strengthen the position of small agricultural holdings and to encourage their association, in 2021 the National Strategy for Development of Agricultural Cooperatives for the period 2022-2028 was developed. The number of **agricultural cooperatives** is still very small. It amounts to 63 registered, of which 45 active agricultural cooperatives with 615 members throughout the country. The role of women in agricultural cooperatives is still weak and further support is needed for the inclusion of young people and women in agricultural cooperatives.²¹

In terms of IPARD support, the greatest interest is still in the procurement of equipment and machinery. There is little interest in investment activities for construction or reconstruction of agricultural facilities, development of farm infrastructure or facilities for post-harvest activities and direct marketing of farms, mostly due to the inability of applicants to obtain building/reconstruction permits. The legalization of farms, the lack of detailed urban plans in the villages and the weak capacities of the rural municipalities responsible for this issue are additional issues hindering the process of obtaining approval for construction or reconstruction. There is also little interest in investing in irrigation systems, combine harvesters, specialized trailers and vehicles for agricultural transport and procurement of perennial trees and plants (Measure 1 and 3). Among farm diversification and business development measures, the greatest interest is invested in construction and reconstruction of operational facilities for the relevant economic activities, investments to improve the infrastructure of applicants and investments in specialized processing equipment (Measure 7).²²

For the period 2017 - 2019, according to the State Statistical Office, on average 45% of the total number of employees in the country (342.474) are employed in rural areas. 19% of them are self-employed, and 12% are unpaid family labor. Rural women are the least active in the labor market, especially women in the age group of 40-59.²³ This high percentage stems mostly from their engagement in the home, child care, care for the elderly and other household chores that constitute unpaid labor. Even when a woman's labor is paid, they earn only 33% of what men earn in the same sector.

Data analyses from the State Statistical Office for employees by gender, place of residence (urban/rural place) for 2019 shows that the number of employed women in urban areas is 178.247, while in rural areas it is 86.647. As employers, there are 6.749 women in urban areas, while in rural areas the number of women is significantly lower (1.567 women). There are 8.816 self-employed women in urban areas compared to 12.065 in rural areas. In urban areas 22.578 women fall into the category of "unpaid family worker", and in rural areas this number is 23.544 women. Shown in percentage, the woman in rural areas appears as

²⁰ Martinovska Stojceska et al. 2021. Recent agricultural policy developments in the context of the EU approximation process in the pre-accession countries

²¹ MAFWE 2021, National Strategy for Agriculture and Rural Development for the period 2022-2028

²² MAFWE 2021. Annual report on monitoring the implementation of IPARD Origamme 2014-2020 (for the period to November 2021)

²³ Genderequality2_mk.pdf (stat.gov.mk)

an employer with only 0.5% and as a self-employed person with only 3.5%. In 2020, there are 175.088 registered agricultural entrepreneurs in the Single Register of Agricultural Holdings. Of these, 38.328 are registered women as holders of agricultural holdings. Only 5% of women in rural areas own property and this leads to a situation in which the woman entrepreneur is limited in owning the means to run and develop her own business. According to the publication “The position of rural women in Macedonian society” developed within the project “Responding to the socio-economic effects of COVID-19, by supporting vulnerable groups of low-paid workers, workers who are part of the informal economy and temporary workers” from 2021, rural population has been deprived of many benefits compared to the urban population in many regards. Speaking in favor of the above, 36% of those living in rural areas face the issue with bank services access, 24% postal services and 20% cultural facilities access. Basic transport services are not available or are difficult to access for 22% of the rural population. Public transport is more accessible in the lowland rural areas and is used by women, but due to road transport restrictions they are in a very disadvantageous position because they have limited mobility - they are unable to go to the doctor alone, take their children to the nearest kindergartens, visit the social protection centers to exercise their social rights, or visit the Employment Agency to look for work and be regularly informed, etc. The need to improve the road network in rural areas is emphasized as a high priority, both in lowland villages (51%) and in mountain villages (54%).²⁴

The Committee on the Elimination of Discrimination against Women in charge of monitoring the implementation of the Convention on the Elimination of All Forms of Discrimination against Women in its 2018 report on the Republic of North Macedonia expresses concern about opportunities for women to inherit a land, lack of indicators in programs and statistics to monitor the development, problems and challenges of women in rural areas, the small percentage of women participating in financial instruments, inadequate measures to overcome the consequences of climate change that directly and negatively affect women.

Recommendations in the CEDAW report for RNM of the UN Committee for the Elimination of Discrimination against Women for 2018 intended for rural women:

- To provide women from rural areas with access to various types of pensions and allowances for an adequate standard of living and to provide direct benefits from social protection programs in their territory;
- Adopt measures to register and recognize the work of women in rural areas and make provisions for the recognition of their rights to social benefits, including sick leave, parental leave, pensions and other social protection benefits;
- Develop a strategy to ensure access to land and property for women from rural areas and take measures to protect their security in terms of land ownership, including awareness-raising campaigns to challenge cultural and traditional ways that prevent equal access and land control by women;
- Adopt measures to provide and benefit from rural development policies that will facilitate and promote the rights of rural women, regardless of their civic status, occupation or land ownership, and in its next periodic report provide information on specific policies, indicators and goals for equal

²⁴ Document for public policies “Women in rural environment and entrepreneurship”
file:///C:/Users/Dell/Downloads/Dokument%20javni%20politiki_6.pdf

inclusion of rural women in public policies and plans;

- To ensure that women in rural areas have access to subsidies and measures to support rural development to the highest possible degree;
- Adopt measures to ensure that women in rural areas are represented in decision-making processes at all levels in the agricultural sector, including disaster risk reduction policies, disaster management and climate change;
- To involve women from rural areas in the creation and development of health services and programs in rural areas and to provide comprehensive and accessible health services to all throughout the country.²⁵

According to the Analysis of Marginalized Groups prepared by the National Federation of Farmers, the COVID-19 crisis affects all aspects of life and significantly increases the risks of marginalized groups in rural areas. COVID-19 affects the accessibility to public services of respondent categories at risk, has an impact on the income of respondents and their economic power. The negative aspects of the crisis have been identified in terms of the local economy and agricultural development, as well as the placement of agricultural products. It drastically affects the intensity of public transport of rural residents, and additionally increases the social exclusion of marginalized groups, especially people with disabilities who become even more invisible to the system. The research also showed that the COVID-19 crisis has drastic negative effects on access to cultural, sports, social and religious events and activities, thus increasing the risk of social exclusion and low income. Other problem is the social distance.²⁶

²⁵ Report of the UN Committee on the Elimination of Discrimination against Women in charge of monitoring the implementation of the Convention on the Elimination of All Forms of Discrimination against Women - https://www.ecoi.net/en/file/local/1455810/1930_1546509736p_d1837827.

²⁶ Analyses on the requirements, challenges and the risks of marginalized groups in the rural area affected by Covid crisis file:///C:/Users/Dell/Desktop/NFF/2020/finalni%20analizi/marginalizirani%20grupi/Analiza_Marginalizirani%20grupi_02.pdf

Environmental and Climate Context

The impact from climate changes (current and forthcoming), natural resources management, water, and waste management.

The last decade of the 20th century and the beginning of the 21st century in climatic context are the warmest periods in the world. These are the most specific periods in terms of weather and climate in the Republic of North Macedonia. Under the influence of natural conditions as well as under the influence of human activities in the last thirty years, climate change is occurring on a global scale in the territory of Southeast Europe and in the country. Climate change is characterized primarily by rising air temperatures, changes in precipitation, as well as an increased frequency of extreme weather events and periods of extreme climatic conditions.

Sustainable management of natural resources

In North Macedonia, the environmental challenges are air pollution from metallurgical plants, serious problems with air pollution in Skopje every winter due to industrial emissions, wood stove smoke and exhaust fumes from old cars. Total renewable water resources are 6.4 billion cubic meters. The air quality, financial support for investments for reducing fossil fuel, but limited implementation and resources, weak cross-sectoral cooperation, and coordination between central and local governments limit the impact of air pollution reduction measures. Air pollution in major cities remains a serious concern. A set of waste management laws and special waste streams have been adopted that incorporate the principles of circular economy. The National Waste Management Plan (2021-2031) and the first National Waste Prevention Plan (2021-2027) have been prepared and are awaiting adoption. The establishment of a regional waste management system continues to face certain delays. Separate waste collection and economic instruments to promote recycling, reuse and waste prevention remain limited.

Climate change

In this decade, nine years (2012-2020) are in the range of seven highest values of annual air temperature for the period 1951-2020. During the period 1991-2020, the average annual temperature is higher in the whole territory in the range from 0.7°C to 1.4°C. The deviation analysis of the average seasonal temperatures in reference to the average for 1961-1990 also shows the highest values for the period 1991-2020, with the largest increase for the summer temperature with deviations in range from 1.2°C to 2.2°C.²⁷ The annual amount of precipitation indicates a general trend of decrease in precipitation, however, due to the rapid changes of the latter from year to year, the amount of reduction cannot be explicitly determined. The largest decrease in the annual number of days with snow cover (from 3 to 12 days) is for the period 1991-2020.

²⁷ <https://api.klimatskipromeni.mk/data/rest/file/download/9bb56dc7bf6f2506b7bd3ef66337144129a5356acf01de3a7683d0edab3facdf.pdf>

Agricultural production is inextricably tied to climate, making agriculture one of the most climate-sensitive of all economic sectors. In countries such as Republic of North Macedonia, the risks of climate change for the agricultural sector are enormous. Of particular importance for proper growth and development of plants in addition to temperature indices is the length of the vegetation period. The largest extension of the vegetation period was observed for the period 1991-2020 with a maximum of 16 days in Gevgelija. A slight decrease in the duration of the vegetation period was observed for Demir Kapija and Berovo, shorter by 2 that is 4 days, respectively.

The Fourth National Climate Change Plan is currently being prepared and is expected to be completed and adopted by the Government by June 2022.²⁸ North Macedonia has adopted the Climate Change Strategy for the period 2019-2028, but its implementation is still at an early stage. The action plan for the period 2021-2023 has not been prepared yet. The strategic and legislative framework is not in line with the EU strategic goals arising from the European Green Deal. The Law on Climate Change is at an early stage of preparation. The alignment of the legal framework with EU law remains low, and human and financial resources are extremely limited.²⁹

Conflict and Peace Context

Social tensions, fragility, crime and violence, internal and external security linked to conflicts and to economic development as well as justice.

Historically, the Balkan region has been described as a dangerous “mix of weak states, non-state political systems and current or future protectorates”, where delegitimization processes destroy democracy. It is characteristic that the polarized party system and the distrust in the leading politicians who are not committed to social and economic development, do not contribute to creating a positive environment and living conditions.³⁰

One of the main political goals of the country is the accession to the EU, and subsequently, harmonization of all laws and strategic documents with EU legislation and documents. North Macedonia is an EU candidate since 2005 that signed the NATO accession protocol in February 2019. North Macedonia is working intensively to maintain good relations with the neighboring countries, but it is necessary to resolve the still open issues and disputes with the countries in the region. Existing bilateral agreements, including the Prespa Agreement between North Macedonia and Greece, as well as the Treaty on friendship, good neighborliness and cooperation with Bulgaria, are expected to be implemented by all stakeholders.³¹

²⁸ <https://klimatskipromeni.mk/article/31>

²⁹ EU COMMISSION STAFF WORKING DOCUMENT North Macedonia 2021

³⁰ <https://cdn.sida.se/publications/files/sida3044en-macedonia-a-conflict-analysis.pdf>

³¹ EU COMMISSION STAFF WORKING DOCUMENT North Macedonia 2021

Political aspects as a precondition for conflict

Efforts to strengthen democracy and the rule of law continue, and this is also performed by activating existing access controls to key policy and legislative issues. The country shows a high commitment to delivering results in key areas that are necessary in fulfilling the vision of joining the European Union (“Europe at home”) and the fight against corruption. However, parliamentary work was hampered by political polarization, reinforced by COVID-19, which occasionally affected the smooth functioning of Parliament. Efforts are needed to strengthen Parliament’s role as a forum for constructive political dialogue, especially on the EU reform agenda.³²

Human security represents the inner circle of resources and covers various aspects which include not only the issue of physical security but also socio-economic security. In North Macedonia, gender-based violence remains one of the most significant manifestations of gender inequality and discrimination against women in the country. Nearly half (45%) of women reported experiencing psychological, physical, and/or sexual violence by an intimate partner. Roma women and girls face the highest rates of discrimination, violence and gender inequality. In 2011, the country signed the Council of Europe Convention on Preventing and Combating Violence against Women (Istanbul Convention) which was ratified at the end of 2017. A National Action Plan for the implementation of the Istanbul Convention (2018-2023) has also been developed. There are currently national systems in place to prevent, detect, refer and respond to children who are victims of violence and abuse. However, there are many gaps that prevent efficient operation. In 2020, the country has made moderate progress in efforts to eliminate the worst forms of child labor. The Ministry of Education and Science continued to engage additional educational mediators in order to remove educational barriers for the most vulnerable populations, including Roma children.



In terms of **crime**, including murder and attempted murder, there is an increase of 46% in the number of murders (19 cases, compared to 13 in 2018), a decrease of 47% in cases of attempted murder (18 cases) and a 13% reduction in acts of violence (231 cases). The number of reported rape cases has increased by 6% (32 cases compared to 30 cases in 2018). Sexual assaults on minors decreased by 13%, and reports of other sexual crimes against children increased by 25%. Domestic violence is a constant and a common problem. According to the analysis of data for the period January - June 2019 and 2020 of the Ministry of Labor and Social Policy, the percentage of increase in victims of domestic violence in 2020 is 7.4% higher compared to the same period in 2019. In the period from January to June 2020, 824 victims of domestic violence were registered, of which 611 were women, 140 men and 73 children. The Ministry

³² EU COMMISSION STAFF WORKING DOCUMENT North Macedonia 2021

of Interior, on the other hand, registered murders and attempted murders while committing domestic violence. In the period from March 10 to July 31, 2020, three (compared to two in 2019) criminal acts “murder while committing domestic violence” were registered, for which three (compared to two in 2019) perpetrators were reported³³. In the Republic of North Macedonia, in the period from 2008 to 2020, a total of 96 women were killed, of which at least 50 were femicides.³⁴ Cybercrime continues to be a concern as data hacking and breaching have increased worldwide (156 documented cybercrime offenses). Women’s rights activists formed a social movement with the hashtag #ISpeakUpNow (English translation) to show the normalization of sexual harassment in society. Sexual harassment of women in the workplace is still a problem, but victims generally do not file cases for fear of publicity and possible job loss. There are no legal restrictions on same-sex sexual relations. Most public buildings are inaccessible to people with disabilities, and inconsistent inspections result in the construction of new facilities that also do not meet their needs. Public transportation for people with disabilities is very limited; but the buses purchased in 2013 for Skopje are available for people with physical disabilities.

³³ <https://mojzbor.com/porast-na-semejno-nasilstvo-vo-period-na-pandemija/>

³⁴ Femicide case analysis:///C:/Users/Dell/Downloads/Femicid_MK.pdf

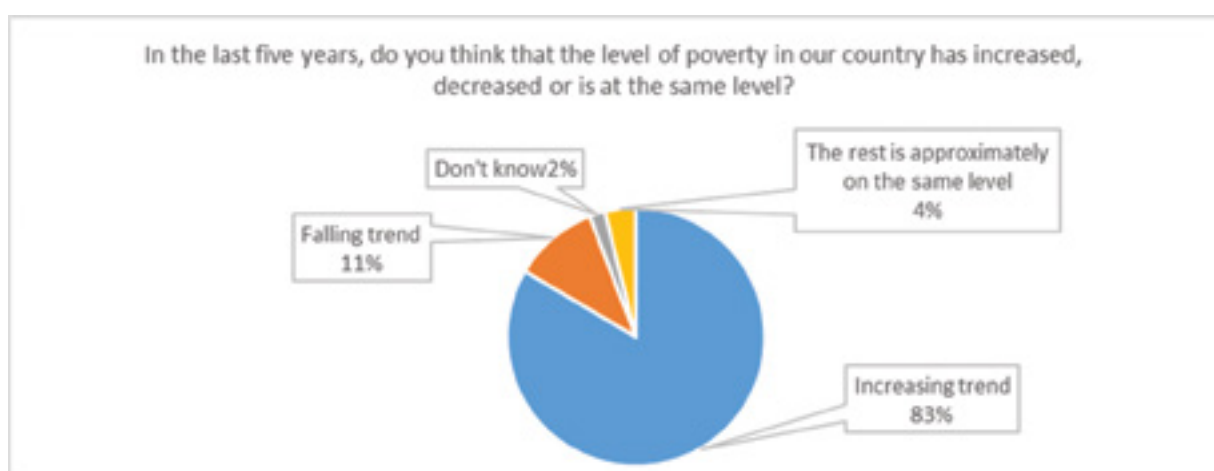
The Four Dimensions of Poverty

The resource includes different types of assets – from access to basic social financing and loans to resources in terms of capital and land. All questions and all responses should consider gender dimensions. Access to resources of different material or non-material type (income, capital, health and education, social and family networks etc.) is essential for maintaining decent living standards as well as for providing conditions for progress and improvement of people’s living standards. The State Statistical Office, based on the data from the Survey on Income and Living Conditions, calculated the Laeken Poverty Indicators for 2019. The basis of poverty calculations is income, and the poverty line is defined at 60% of the median equivalent income. According to the data, in 2019, the rate of poor people in the Republic of North Macedonia was 21.9%. Analyzed by types of households, the poverty rate of households composed of two adults with two dependent children in 2019 is 19.5%. According to the most frequent status of economic activity, the rate of poor employees is 8.8%, while the rate of poor retirees is 7.8%. The Gini coefficient (a measure of income inequality) is 30.8%.³⁵

Poverty level in the country - sample perspective

Most of the sample (or 83% of the respondents) think that the **level of poverty in the country has increased in the last five years** (Chart 1). In the last five years, about 48% of the sample experienced an event that led to a decrease in the standard of living of the household, and about 39% of them believe that in the next five years a forthcoming event will reduce their standard of living (Table 1).

Chart 1. Perception of the respondents in relation to the level of poverty in the country



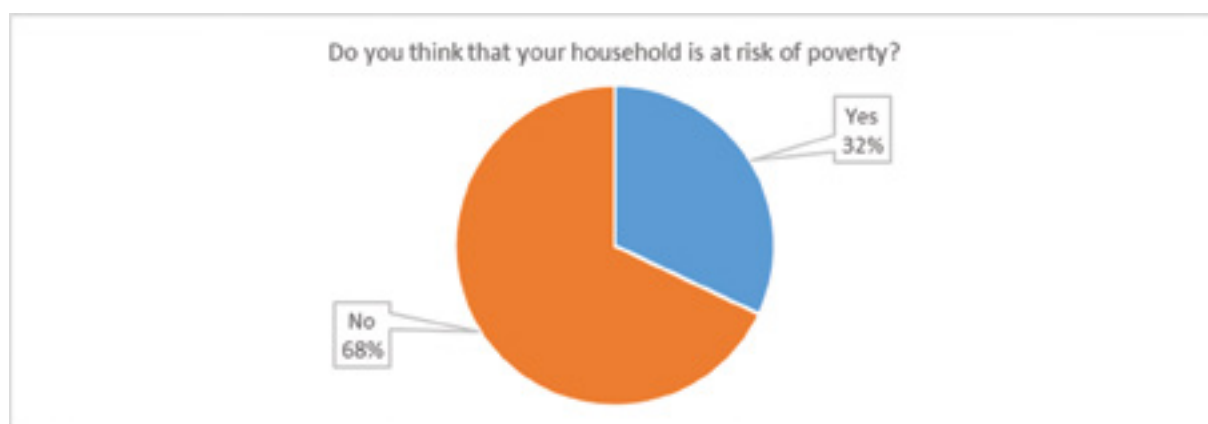
³⁵ https://www.stat.gov.mk/pdf/2020/4.1.20.97_mk.pdf

Table 1. Perception of the respondents in relation to the changes in the economic status of the household

Status	Have you recently (in the last five years) experienced event that led to:	Do you expect that in the near future (next five years) an event that will contribute to:
Income increase:	5%	8%
Living standard reduction:	48%	39%
Income decrease:	12%	28%
Living standard improvement	12%	10%
Nothing of the above	24%	16%

However, the majority of the sample (or 68% of respondents) believe that their household is not at risk of falling into poverty (Chart 2). Most of the sample (or 30% of the respondents) believe that poverty in the country is the result of a great injustice in our society, and 13% of them believe that poverty in our country occurs due to laziness.

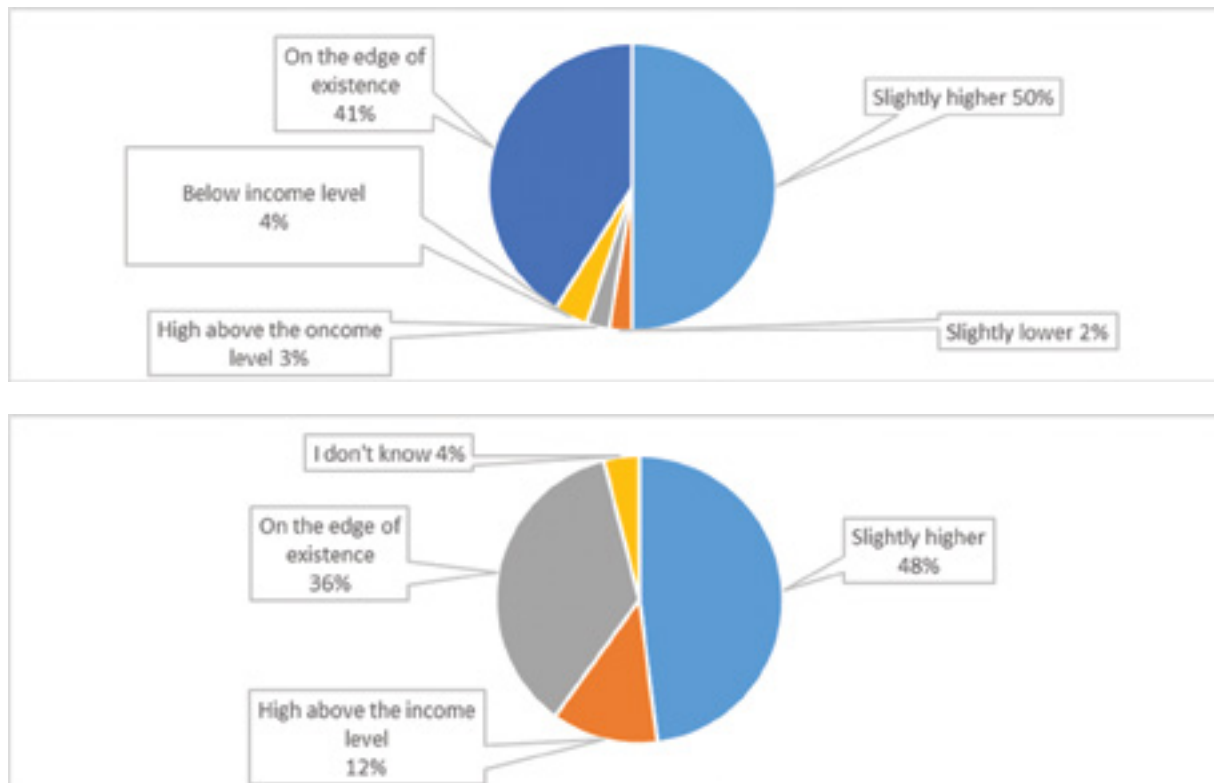
Chart 2. Respondents' perception referring to the risk of the household to face poverty



In most of the respondents the sense of isolation is present. They feel cut off from society due to work responsibilities and unavailability of public services, while other side reasons cited as part of the survey were (e.g., childcare responsibilities, other type of care, lack of own transportation, unavailable or expensive public transportation, physical access limitations, lack of friends or family, sexism, racism, homophobia, discrimination related to disability).

In general, there are no major differences between urban and rural areas in respondents' perceptions of their assessment of the level of household poverty. However, there are big differences in the answers. About 50% of the sample think that their household is a little above the poverty line, and many of them think that they are on the verge of subsistence, 41% of them live in urban areas and 36%, in rural areas. (Chart 3).

Chart 3. Respondents' perception of the level of household poverty (urban environment - up; rural environment - down)



It is interesting to find that the percentage of respondents from rural areas is higher than those from urban areas who stated that their household is economically very strong, i.e. it is far above the poverty line. Still the percentage is higher of rural households that were excluded most often from electricity.

Access to resources

Access to education

Primary and secondary education in the country is free and compulsory, but the poor and people of Roma ethnicity belong to the category of population that most often leaves further secondary and higher education. In addition, most of the illiterate population still live in rural areas, which are also the most affected and have the highest levels of poverty. In 2015 (last data), the literacy rate of the population in the country was high 97.84%.³⁶

Most of the sample has completed secondary education whether living in a city or in a village (Table 2). In rural areas, there is a large percentage of respondents and their spouses who have completed only primary education.

Table 2. Education level of respondents and their spouses

Level of education	Respondent			Spouse		
	Total	Women	Men	Total	Women	Men
	(n=103)	(n ₁ =50)	(n ₂ =53)	(n=103)	(n ₁ =50)	(n ₂ =53)
City						
Primary school	2	2	0	5	4	1
Secondary education	14	6	8	10	5	5
Vocational education or post secondary education	1	0	1	1	0	1
University education	8	4	4	3	1	2
No reply	0	0	0	6	2	4
Village						
Primary school	19	11	8	21	10	11
Secondary education	49	23	26	30	17	13
Vocational education or post secondary education	0	0	0	1	1	0
University education	9	3	6	6	3	3
No reply	1	1	0	19	7	12

Access to kindergarten and primary education in rural areas is limited. According to the survey, more than 70% of households do not have access to kindergarten. Only in 56% of the settlements in the rural areas they have primary education up to the ninth grade in their village, while the rest have only up to the fifth grade or acquire primary education in the surrounding villages or towns. Of course, in most cases, the primary school is 1 km away from the place of residence.

³⁶ Literacy Rate by Country 2022 (worldpopulationreview.com)

Access to health services

The health system of North Macedonia is comprehensive and enables every citizen to receive health care and intervention. Unemployed people are also covered by health insurance covered by the Ministry of Health. However, the system has many shortcomings that are particularly reflected in people facing poverty as well as socially excluded individuals, before and during the COVID-19 pandemic. While everyone has the right to health care, people living in poverty have problems accessing or using health facilities, especially those with secondary and tertiary care. Because most health services cover primary health care costs, it is necessary to allocate additional resources that are not available. Rural communities are one of the marginalized and most affected groups by the consequences of the problems with the lack of a regular doctor and health services in their immediate environment.³⁷

Respondents generally rated their health as relatively good, although a higher percentage of women than men, especially those living in rural areas, felt that their health was not good (Table 3). Also, the percentage of population in the cities is higher than those living in rural areas, who think that their health is very good.

Table 3. Health state of respondents

Grading	Total		Women		Men	
	City	Village	City	Село	City	Село
Very good	32%	5%	17%	3%	46%	8%
Relatively good	60%	78%	67%	74%	54%	83%
Not good	8%	17%	16%	24%	0%	9%

When asked how many times you have consulted a doctor for screening or other preventive health services in the last 12 months, there is a higher frequency of respondents from rural areas, generally at the expense of the male part of the sample (Table 4). Female respondents, whether living in a city or a village, generally consulted a physician more often about their health than male respondents.

Table 4. Consultation with a doctor for screening or other preventive health services (average frequency)

Settlement	Total sample	Women	Men
City	2.9	3.7	2.2
Village	3.3	3.8	2.8
Total	3.2	3.8	2.6

Most of the respondents, not even their family members, do not face long-term illness, disability or inability (Table 5). However, there are families that face health problems of this type.

³⁷ EAPN-Poverty-Watch-2020_MK-4946.pdf

Table 5. Does the respondent or any of his household face any kind of chronic illness, disability or inability?

Response	Total		Women		Men	
	City	Village	City	Village	City	Village
Yes, the respondent	8%	19%	8%	18%	8%	20%
Yes, a member of the family	12%	27%	0%	32%	22%	22%
No	76%	54%	92%	50%	62%	58%
No reply	4%	0%	0%	0%	8%	0%

Most of the respondents did not face a problem with access to basic medical services, although the percentage of respondents who face such a problem was not small, 36% of those living in cities and 26% living in rural areas. Access to basic medical services is more limited for women, especially those living in cities (Table 6), although all respondents share the view that access to health services is equal for men and women.

Table 6. Did the respondents experience a problem with accessing basic health services?

Response	Total		Women		Men	
	City	Village	City	Village	City	Village
Yes	36%	26%	50%	34%	23%	18%
No	64%	73%	50%	66%	77%	80%
No response	0%	1%	0%	0%	0%	2%

Usually, the distance to the nearest health facility is one kilometer away. However, for a significant sample size, i.e. (23%) of the respondents living in rural areas, the nearest health facility is located 10 or more kilometers away from the community in which they live. Only 3% of the respondents think that the nearest health institution does not provide all of the essential health services. Very small sample sizes, i.e. (22%) of the respondents are able to allocate additional funds for health services in private health facilities.

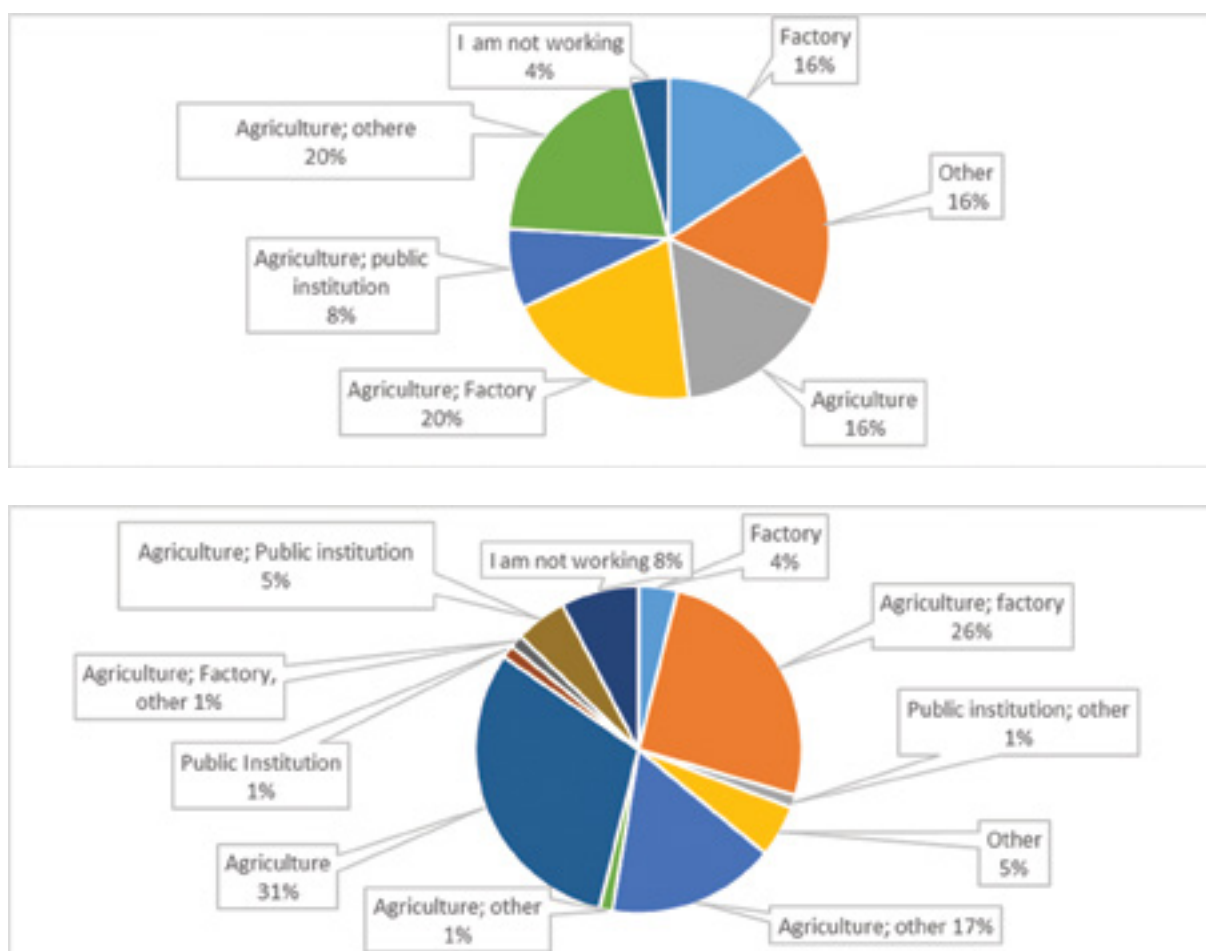
Income and access to capital

The main occupation of the able-bodied members of the households included in this survey is agriculture, but some of the households are in no way engaged in this activity despite the fact that it could provide additional income opportunities to the households (Chart No. 4). Households predominantly realize income from various activities, including agricultural production. A similar situation with regards to this issue occurs both in urban and rural areas. Nevertheless, the number of households in rural areas that realize income solely from an agricultural activity is significantly greater than the number of households living in urban areas. From the point of view of poverty analysis, it should be borne in mind that the sample mainly realized income from low-paid occupations (in addition to agriculture, factory employment and state administration jobs are dominant occupations).

Only 18% of households realize their income exclusively from agriculture, while 28% of households do not realize income from agriculture. Those households engaged in agriculture (76% of the sample) supplement their income with subsidies (a form of financial aid or support), that is, 69% of the agricultural households in this sample.

Some of the households (i.e., 28% of the sample data) also include pensioners, so in addition to the income realized from the agricultural activity and the salary, the household income is supplemented with a pension as well. Only 12% of households receive a carer's allowance. Approximately 9% of the samples are social assistance beneficiaries and 4% are disability support pension beneficiaries.

Chart 4. Main occupation of the household (urban area - up; rural area - down)



Only 5% of the sample took out a loan. Small percentage of loan indebtedness is not a result of restrictions imposed on the households (as is clearly shown by the findings available in Table No. 7). Approximately 94% of them stated that their household does not face restrictions accessing a bank loan. However, over the past year, there have been times when some households (around 10% of the sample) have been forced to borrow money from other types of lenders (excluding banks) in order to pay their daily expenses. In those cases, they mostly took out quick loans, and some of them took out loans from relatives and friends, while one of the respondents borrowed money from an unlicensed person and one from a savings bank.

Table 7. Households' access to real estate and movable property

Resources	City		Village	
	Yes	No	Yes	No
Does the household own real estate?	88%	12%	94%	6%
Is the household renting a real estate?	16%	84%	17%	83%
Does the household own any other type of property?	84%	16%	77%	23%
Is the household renting any other type of property?	4%	96%	14%	86%

Access to adequate infrastructure relevant in relation to the use of financial services is generally good in the populated place, including the road network to the nearest financial center, as well as the infrastructure for electronic and mobile banking, such as mobile phone signal and internet network (home and mobile network). However, one should not ignore the finding that for 19% of the sample the road network is bad or very bad (Table 8).

Table 8. Access to the infrastructure in the place of residence relevant in relation to the use of financial services

Condition	Road Network to the Nearest Financial Centre	Mobile Phone Signal	Home Internet Network	Mobile Internet Network (3-4G)
Very good	12%	20%	21%	20%
Good	64%	65%	63%	65%
Neither bad nor good	15%	7%	7%	6%
Bad	4%	2%	1%	2%
Very bad	5%	1%	2%	1%
No response	1%	5%	6%	6%

Agriculture and access to markets

Approximately 76% of the households interviewed in the sample are engaged in agricultural production. Most of them, i.e., 37% are registered agricultural producers, 16% are unregistered producers, 11% are registered agricultural producers via PDIFNM, 7% are registered as an individual agricultural holding (IAH) and 4% as an agricultural enterprise (DOOEL (sole proprietorship), DOO(limited liability). etc.) (Table No. 9).

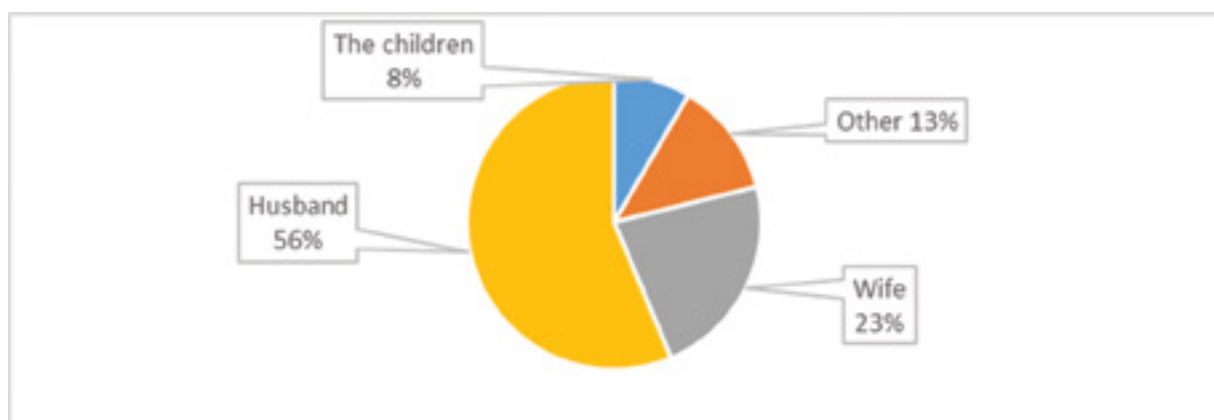


Table 9. Legal form of the management of the agricultural holdings

Legal form of management of the agricultural holdings	Share
Registered agricultural producer	37%
Agricultural enterprise (sole proprietorship), limited liability etc.)	4%
Individual agricultural holding	7%
Unregistered agricultural producer	16%
Registered agricultural producer via PDIFNM	11%
No response and non-agricultural households	26%

Holders of agricultural holdings are predominantly husbands, as is observed in 56% of the sample date, while in only 23% of the cases; wives are holders of agricultural holdings. The percentage of children (young heirs of the farm) holders of the agricultural holdings is extremely small.

Chart 5. Holder of the agricultural holding



Most of the agricultural holdings, i.e., 19% of them, realize only 30% of income from agriculture. Approximately 16% of them realize less than 30% of income from agriculture, 11% realize 40-50% of income from agriculture, and 17% of them realize 100% of income from agriculture. More than 60% of the sample realize income more than 1.300.000 MKD on an annual basis.

The condition of the road network leading to the nearest buyer of agricultural products is mostly assessed as neither good nor bad (Table No. 10). Approximately 16% of the sample believes that the road network is it in a good condition, and 11% think that it is in a bad condition. In general, the purchasing centers are located near the populated places, but it should be borne in mind that in 12% of the sample, the distance to the nearest purchaser is 10 or more kilometers away from the household. Opinions in the sample are divided as to whether they think they face problems during the purchase of agricultural products. Generally, respondents are dissatisfied with the realized profit margin. Consequently, 50% of respondents believe that agriculture does not ensure the survival of the household and that they need additional income to make ends meet.

Table 10. Condition of the road network in relation to access to the nearest buyer of agricultural products

Condition	Number of respondents	Percentage of respondents
Very good	11	11%
Good	16	16%
Neither bad nor good	30	29%
Bad	11	11%
Very bad	8	7%
No response and non-agricultural households	27	26%

Access to information and social capital

In North Macedonia, there are regional units of the Ministry of Agriculture, Forestry and Water Economy as well as a National Extension Agency (NEA) which was established by the Law on Establishment of the National Extension Agency (Official Gazette of RM 3/98 dated 22.01. 1998). It operates throughout the country, located in 30 cities, grouped in eight regions based in Bitola and 44 dispersed offices in rural areas.

To approximately 34% of the sample, the nearest office of the MAFWE and the NEA advisory agency is 10 and more kilometers away from their populated place. To approximately 23% of the sample, the nearest office of the MAFWE and the NEA advisory agency is 3 and fewer kilometers away from their populated place.

Roughly, 35% of households are members of agricultural associations, and only 6% are members of cooperatives. A total of 42 out of 103 households (or 41% of the sample) are members of an NGO.

Social capital is low. More than half of the sample does not visit their extended family members and friends at all, mostly due to illness and exhaustion or lack of free time as a result of the paid work. Only 13% of the sample visit relatives and friends very often.

Conclusion

- EU integration is still the main goal and highest priority supporting the development goals of the Republic of North Macedonia. On this path it will be of utmost importance to continue regional cooperation and resolve long-standing disputes with neighboring countries. The country is working hard to coordinate various political activities and establish relevant institutions and policies in line with the EU;
- The gender structure in politics has improved significantly; however, effort needs to be made regarding the upgrade of women's career advancement and increase of the women's share in middle and senior management. Developing all-embracing strategies requires regular monitoring of the implementation of measures and policies, as well as the collection, analysis and publication of gender-based data;
- It is also necessary to strengthen social cohesion by reforming social protection, creating a more effective system of services along with greater support to institutions in the labor market that has undergone significant changes during the COVID-19 pandemic;
- It is imperative to develop certain mechanisms to improve the availability of labor, especially for skilled labor. It also is important to work continuously on equal access and conditions for women (especially in rural areas). Overcoming gender stereotypes and discrimination in the labor market requires a well-developed legal framework for non-discrimination, as well as its effective implementation;
- Overcoming gender stereotypes in society and the economy requires a sustainable and comprehensive strategy that commits the necessary investments to reduce the gender inequalities and support the economic growth on the long run. Gender-based violence remains one of the most significant manifestations of gender unequal relations and discrimination against women in the country, especially pronounced in conditions such as COVID-19 pandemic.
- Addressing the challenges posed by ongoing land management and property rights registration to counter the detrimental consequences towards the rural development, revenue generation and the environment;
- Focusing on local governments, their funding, incentives and facilities;
- Strengthening the commitment to effective public delivery and good governance.
- Providing access to sustainable and reliable energy supply and dealing with excessive air pollution;

The opinions of the respondents generally overlap and confirm the data obtained from secondary sources:

- ✎ The participants in the field research have a feeling that the level of poverty in the country has increased during the last five years and that this situation will not improve in the near future.
- ✎ Despite the relatively high level of insecurity, most respondents do not feel that their household stands at risk of falling into poverty but is placed slightly above the poverty line. A significant number of respondents consider themselves to be on the brink of poverty.
- ✎ It has been identified that the poverty in the country is arising from the great number of injustices in our society.
- ✎ Although a high percentage of respondents are loan worthy, only 5% of respondents said they were borrowers.
- ✎ Agriculture is not the single and sufficient source of income of the households, and men are still the majority of holders of agricultural holdings.
- ✎ Access to secondary education is not a problematic issue as it is mandatory in this country. However, it can be observed that a significant percentage of respondents from rural areas and their spouses have only completed primary school.
- ✎ Most of the respondents did not face any problem with regards to access to basic health services; nevertheless, access to basic health services is more limited to women, especially those living in the cities. All respondents share the same opinion that access to health services is equal both for men and women.
- ✎ Access to markets is rated as neither good nor bad, and access to information is relatively satisfactory.
- ✎ People feel isolated and cut off from society due to work responsibilities and unavailability of public services, but also due to certain aspects related to human security.
- ✎ Social capital is still at a very low level; nevertheless, trust in institutions and different types of associations have been slightly increased. The COVID-19 pandemic as well as the overload at work largely affects the alienation of people even within the nuclear family itself.

Vulnerable groups

Inclusion of vulnerable groups is an essential part of EU accession negotiations. Vulnerable groups do not have equal access to employment opportunities. They usually live in slums with inadequate infrastructure and are most affected by unpredictable health, economic or climate change. Furthermore, they have limited access to education although it is mandatory in this country; their access to social protection and health care is insufficient.

Roma, women and young people, people with disabilities and members of the LGBTI community (lesbians, gays, bisexuals, transgender and intersex) are traditionally considered the most vulnerable groups. In addition to hostility and physical assault, they are at very high risk of poverty.

Other vulnerable groups, especially in rural areas, include the sick and elderly, as well as single parents.

Young people

Young people face many challenges, ranging from high unemployment and a lack of decent jobs to social exclusion and discrimination. As a result, many young skilled workers are motivated to look for job opportunities abroad and this is especially the case for young people in rural areas.

The widespread lack of trust in politics and institutions has a particular impact on young people who feel alienated from the political process because their voice is often not heard. Young people often find it hard to find a job because their skills and qualifications do not match the present demands of the labor market, and the youth unemployment rate is the highest in the world.

A larger share of the young population in rural areas has no motivation to take over the agricultural holding from their parents and continue farming. Often, some of these people are involved both in agriculture and employed in local industries and businesses. Young full-time agronomists are mainly men and are owners of agricultural holdings, while young women are mainly engaged in part-time agriculture, while the rest of their working hours are devoted to household activities. The majority of young people in rural areas are not politically active, although most of them identify with one of the two largest political parties and vote in elections.

LGBTI

The country's LGBTI rights are poorly regulated and situation is even worse in rural areas where discrimination is more pronounced than in urban areas. Activism is usually expressed within the framework of international human rights, although this type of gender neutrality may not address the specific needs of women.

Roma population

Being the poorest group of residents of the Republic of North Macedonia, as well as the group that has the lowest access to education and health services, Roma people are the most sensitive to all turbulent and unforeseen situations such as COVID-19 pandemic. All of the structural deficiencies experienced by women in our society are doubly experienced by women of Roma ethnicity. Roma women rarely attend school, get married young, do not work and do not have high life aspirations and this situation shows no significant indications of change over the last decade. Roma women and girls face the highest rates of discrimination, violence and gender inequality.

Women

The principle of equitable representation of men, women and ethnic groups should be applied throughout entire public sector. Although there has been an improvement in inclusion of gender aspects in main policies and respect for women's rights, there are still large inequalities in employment, access to many of the resources which puts women at a disadvantage, especially in situations like the COVID-19 pandemic. The share of women in STEM occupations (Science, Technology, Engineering, and Mathematics) is below 15% due to existing gender stereotypes, wage differences and gender bias that prevent many girls in the region from choosing education in one of these areas.

Women in rural areas are still not equal as owners of agricultural holdings, do not have their own property and access to resources, as well as business opportunities that would encourage them to make their own decisions.

Other vulnerable categories in rural areas

Patients, people with disabilities and the elderly often live with their family (spouse or children) who is taking care of them because institutional care is often either unavailable or these people or their families cannot afford the high costs of this type of care. These families face difficulties carrying out daily activities because they have to take care of the elderly or people with disabilities. Single parents also usually live with the rest of the family, and their decisions mainly depend on the oldest member of the family or the family that predominantly provides financial support.

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