



The Country of Return Information Project functions as a network of NGO's for the collection and transfer of specific information on reintegration possibilities for potential returnees and their counsellors. All questions you may have on reintegration possibilities and on which you don't find the answer in this country sheet, can be directed to the helpdesk "Country of Return Information and Vulnerable Groups".  
E-mail: [helpdesk@cri-project.eu](mailto:helpdesk@cri-project.eu)

## COUNTRY SHEET MACEDONIA

May 2009

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1. Access to the territory .....	4
1.1 Documentation .....	4
1.1.1 Travel documents needed for returnees .....	5
1.1.2 Documents needed to the country of return .....	6
1.1.3 How to obtain necessary documents.....	6
1.1.4 Price of the necessary documents.....	7
1.2 Travel to country of origin .....	8
1.2.1 By air .....	8
1.2.2 By land .....	9
1.3 Entry procedure.....	11
1.3.1 By air .....	12
1.3.2 By land.....	13
1.3.3 By sea.....	13
1.4 Impacts of former acts and statuses upon entry.....	13
1.4.1 Impacts on former refugee and subsidiary protection status.....	13
1.4.2 Impacts on former unsuccessful asylum claim .....	13
1.4.3 Impacts of former illegal exit from the country of origin.....	13
1.4.4 Impacts of crime committed outside the country of origin.....	14
1.5 Customs regulations.....	14
1.6 Access to return area .....	16
1.6.1 Limitation on internal travel .....	17
1.6.1.1 Administrative restriction.....	17
1.6.1.2 Practical obstacles.....	17
1.6.2 Territories impossible or dangerous to approach .....	17
1.6.3 Means of internal travel .....	17
2. Physical Security .....	19
2.1 On-going armed conflict .....	20
2.2 Regions with high security risks.....	20
2.3 Crime .....	20
2.3.1 Regions with an extremely high level of crime .....	21
2.3.2 Risk of becoming a victim of human trafficking .....	21
2.3.3 Risk of becoming a victim of forced prostitution .....	22
2.3.4 Effectiveness of protection.....	22
2.3.4.1 Police forces .....	22
2.3.4.2 Judiciary .....	22
3. Social Security and Integration .....	23
3.1. Regions with no integration and return opportunities.....	23
3.2 Housing, accommodation.....	25
3.2.1 Property restitution and/or compensation .....	25
3.2.2 Housing programmes by return areas .....	26
3.2.3 Opportunities of building a house .....	27
3.2.3.1 Conditions of obtaining land property .....	27
3.2.3.2 Relevant approximate prices .....	28
3.2.3.3 Available credit, subsidies and other forms of help.....	29
3.2.4 Opportunities of buying real estate .....	29

3.2.4.1	Legal conditions .....	30
3.2.4.2	Eventual obstacles for certain groups.....	31
3.2.4.3	Relevant approximate prices .....	31
3.2.4.4	Available credits, subsidies and other forms of help .....	32
3.2.5	Opportunities of renting a house or apartment .....	33
3.2.5.1	Eventual obstacles for certain groups.....	33
3.2.5.2	Relevant approximate prices .....	33
3.2.5.3	Available subsidies .....	34
3.3.	Livelihood - basic “survival” .....	34
3.3.1	Employment.....	34
3.3.1.1	Unemployment .....	34
3.3.1.2	Labour market programmes .....	35
3.3.1.3	Labour conditions.....	36
3.3.1.4	Accessibility of short term / occasional jobs.....	37
3.3.1.5	Lack of specific professions .....	38
3.3.1.6	Practical and contact information .....	38
3.3.2	Contact information relevant to the issue of recognition of degrees obtained elsewhere .....	40
3.3.3	Education and retraining programmes.....	40
3.3.3.1	By Government .....	44
3.3.3.2	By private firms .....	44
3.3.3.3	By international organizations or NGOs .....	44
3.3.4	Starting a new business.....	45
3.3.4.1.	Legal conditions .....	47
3.3.4.2.	Credits and subsidies and access to them.....	50
3.3.5	Social Security .....	53
3.3.5.1	Unemployment benefit and access to it .....	54
3.3.5.2	Sickness benefits and access to them .....	56
3.3.5.3	Family allowances and access to them .....	57
3.3.5.4	Other benefits in the social welfare system .....	57
3.3.5.5	Special benefits for the returnees .....	58
3.3.6	Charity organisations with a general scope .....	58
3.3.7	Useful data to calculate the cost of living.....	59
3.4	Health.....	59
3.4.1	General health situation by regions .....	60
3.4.2	Drinking water and sanitation by regions; heating systems .....	62
3.4.3.	Health care system .....	64

## **1. Access to the territory**

The Republic of Macedonia signed an Agreement with the European Community on December 19, 2007 regarding the readmission of persons residing without authorization. The agreement aims at establishing rapid and effective procedures for the identification and safe and orderly return of persons who do not, or no longer, fulfil the conditions for entry to, presence in, or residence on the territories of the Republic of Macedonia or one of the Member States of the European Union, and to facilitate the transit of such person<sup>1</sup>. This Agreement regulates the readmission obligations of the Republic of Macedonia and the European Union for their own nationals, stateless and third-country nationals, conditions for readmission, readmission procedures, application forms needed for initiating procedures of readmission and time limits, transit procedures and transportation and transit costs.

According to the Agreement, the Republic of Macedonia is obliged to readmit all persons who do not fulfil the legal conditions for entering, staying, or residing on the territory of the requesting member state provided that it is proved, or may be validly assumed on the basis of *prima facie* evidence furnished, that they are nationals of the former Yugoslav Republic of Macedonia.

The Republic of Macedonia is obliged to readmit: minor unmarried children up to 18 years of age of the abovementioned persons regardless of their place of birth or their nationality, unless they have an independent right of residence on the territory of the requesting member state; spouses of the persons abovementioned, holding another nationality, provided they have the right to enter and stay or receive the right to enter and stay in the territory of the former Yugoslav Republic of Macedonia, unless they have an independent right of residence in the requesting member state, and persons who have renounced the nationality of the former Yugoslav Republic of Macedonia since entering the territory of a member state, unless such persons have at least been guaranteed naturalisation by that member state<sup>2</sup>.

### **1.1 Documentation**

All personal documents in Macedonia are regulated by law, that is the procedures for obtaining i.e. issuing documents are determined in particular laws, such as the Law on Personal Identification Card, the Law on Travel Documents, the Law on Registration of Residence and Stay, the Law on Aliens, and other laws. The competent authority for issuing personal and travel documents is the Ministry of Interior.

All citizens are obliged to obtain personal identification card before they turn 18, after which the citizens shall be sanctioned in accordance to the Law on Personal Identification Card and the Law on Misdemeanour Procedure. There is no system for following and checking which citizens do not obtain a personal identification card, the identification of such cases goes through the regular checking and control by the official persons from the Ministry of Interior.

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<sup>1</sup> Agreement between the European Community and the Former Yugoslav Republic of Macedonia on the admission of persons residing without authorisation signed on 19.12.2007 (Official Journal of the European Union L 334/7).

<sup>2</sup> *ibid*

### 1.1.1 Travel documents needed for returnees

In the Republic of Macedonia, there are no particular procedures for the returnee. There are established general procedures for obtaining personal and travel documents such as personal identification card and passport.

The procedure for issuing travel documents to Macedonian citizens is regulated in article 3 of the Law on Travel Documents<sup>3</sup> which determines the types of travel documents in Macedonia such as: passport, common passport, diplomatic passport, official passport and emergency travel document ('paten list') as well as travel documents that are issued on the grounds of international agreements. Passports, common passports and emergency travel documents for returning in the country may be issued upon citizen's request; however, the issuance of a diplomatic and official passport depends on the request that has to be submitted by competent authorities.

The request for the issuing of travel documents has to be personally submitted, except when issuing travel documents for juveniles/persons without legal capacity where the parent or the custodian submits the documents for issuance a travel document. The person who submits a request for issuance of a travel document is obliged to present identification, either a Personal Identification Card or in case the person does not have residence in the Republic of Macedonia s/he has to present another form of identification issued by a diplomatic-consular office of the Republic of Macedonia, or issued by a foreign country confirming her/his identity<sup>4</sup>.

A citizen of the Republic of Macedonia can hold only one travel document of same kind<sup>5</sup>.

Competent authorities for the issuing of travel documents are the Ministry for Internal Affairs (passport and common passport) and the Ministry for Foreign Affairs (diplomatic and official passport). Diplomatic-consular offices may issue travel documents abroad for the Macedonian citizens<sup>6</sup>.

In cases of loss or "evaporation" of the passport abroad the holder of the passport is obliged to immediately report that to the nearest diplomatic-consular office of the Republic of Macedonia competent for issuance of an emergency travel document which permits returning to the country upon the request of the passport holder. Together with the request for issuance of an emergency travel document, the holder of the passport has to submit two photos with dimensions of 35X45, in black and white or in colour<sup>7</sup>. Emergency travel documents may be issued for a maximum of 30 days or for the time period needed for returning in the country<sup>8</sup>.

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<sup>3</sup> The Law was adopted by the Assembly of the Republic of Macedonia 1992 (Official Gazette of Republic of Macedonia 67/92) and it was amended three times, in 2003 (Official Gazette of Republic of Macedonia 20/2003), in 2004 (46/2004), in 2007 (19/2007) and in 2008 (84/2008).

<sup>4</sup> Article 31, Law on Travel Documents. Interview with officers of the Department for issuing travel documents (Ministry for Internal Affairs)

<sup>5</sup> Article 4, Law on Travel Documents

<sup>6</sup> Article 14, Law on Travel Documents.

<sup>7</sup> Article 42, Law on Travel Documents. Interview with officers of the Department for issuing travel documents on July 24, 2008 (Ministry for Internal Affairs).

<sup>8</sup> Article 19, Law on Travel Documents and interview with the officers in the department for issuing travel documents on July 24, 2008 (Ministry of Internal Affairs).

Citizens of the Republic of Macedonia that have stayed abroad more than 6 months shall submit a request for issuance of a passport in the diplomatic-consular offices of the Republic of Macedonia<sup>9</sup>.

### **1.1.2 Documents needed to the country of return**

Citizens of the Republic of Macedonia that have been abroad longer than three months are obliged to register their return within a period of three days in order to exercise their rights. If a citizen has minor children s/he is also obliged to register their return. The registration of residence and stay is regulated by the Law on Registration of Residence and Stay adopted by the Assembly of the Republic of Macedonia in 1992<sup>10</sup>. The competent authority for registration of temporary residence, permanent residence and temporary residence abroad is the Ministry of Internal Affairs of RM<sup>11</sup>.

Before leaving Macedonia temporarily (from three months to a year), citizens are obliged to report to the competent authority in the place of residence or on the border office or in the diplomatic-consular office in the country in which the citizen is planning to have temporary residence<sup>12</sup>.

Citizens of the Republic of Macedonia, who have resided abroad and would like to register residence in the Republic of Macedonia, will not need to cancel their residency permit abroad.

### **1.1.3 How to obtain necessary documents**

For the registration or cancellation of residence; issuance of personal identity card; initiating procedure for obtaining citizenship; issuing travel documents; issuing birth certificate; the citizen has to request a meeting for the submission of the relevant documents on the following telephone number: 080019292 (Ministry for Internal Affairs).

For registration of residency, the citizen has to submit a request for registering residence in the local office of the Ministry of Internal Affairs competent on the territory in which the citizen is registering residence. This request has to be submitted with the following documents<sup>13</sup>:

1. A personal identity card (or other document that proves the identity of the person).
2. Documentation for that the apartment/house is in his/hers ownership or a rental agreement in accordance to the Law, authorized by a notary. And if the citizen lives in apartment/house owned by hers/his parents or children, s/he has to submit a document that proves their ownership as well as a statement of her/his parents/children that the person is going to live with them.
3. If the citizen changes residence s/he must change personal identification card. This regulation has not been strictly adhered to, neither now or in the former Yugoslavia. And

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<sup>9</sup> Article 16, Law on Travel documents. Further interviews with officers of the Department for issuing travel documents on July 24, 2008 (Ministry for Internal Affairs).

<sup>10</sup> Official Gazette of Republic of Macedonia 36/92, amended three times, in 1993 (Official Gazette of Republic of Macedonia 12/93), in 2000 (43/2000) and in 2007 (66/2007).

<sup>11</sup> Article 9, Law on Registration of Residence and Stay.

<sup>12</sup> Article 8, Law on Registration of Residence and Stay.

<sup>13</sup> Guidebook of the Ministry for Internal Affairs published on the webpage - [www.mvr.gov.mk](http://www.mvr.gov.mk)

again, in practice there are no direct sanctions or penalties against citizens who fail to do so. However, a citizen might be exposed to difficulties in administrative procedures that would require exact address of residence, and will have eventually to register the change in order to continue with certain procedures (i.e. access to social services provided on municipal level and etc).

For the issuing of a personal identity card of the Republic of Macedonia the person previously must have registered residence in the Republic of Macedonia.

#### Issuing of the first personal identity card

A request, which can be found free of charge in the local office of the Ministry of Internal Affairs, has to be fulfilled and submitted.

The following supporting documents need to accompany the request: a birth certificate, a citizenship certificate, and a personal identity card of one of the parents.

There is a payment of 190 MKD for the personal identification card. Upon the submission of the request, a record of the finger print will be taken by the authorities, as well as a digital photo of the person requesting the ID card.

A personal identity card may be issued to a person who has turned 15 years. A person who has turned 18 years is must have a personal identification card.

#### Replacement of a personal identification card

A person is obliged to replace her/his identity card in the following cases: expiration, damage to the card, change of residence or change of name.

To have an identity card replaced following steps have to be undertaken:

Step 1. Submit a request for replacement of the personal identity card without paying administrative fee.

Step 2. Present documentation for the change of residence.

Step 3. Pay for the personal identification card: 190 MKD.

For the issuance of a new identity card it is necessary to contact Ministry of Internal Affairs that issued the personal identity card, if there has been no change in residence.

The Ministry of Internal Affairs is going to issue a new personal identity card in 15 days from the day of submission of the request. When the person is going to take the new personal identity card, s/he is obliged to submit the old personal identity card to the Ministry of Internal Affairs for invalidation.

#### **1.1.4 Price of the necessary documents**

The issuing a personal identification card: 190 MKD<sup>14</sup>.

The issuing a birth certificate: 100 MKD in administrative tax stamps and 50 MKD<sup>15</sup>.

The initiation of the procedure for obtaining citizenship: 20 EUR in MKD (1,230.42).

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<sup>14</sup> <http://www.uslugi.gov.mk> (also checked on MoI telephone number: 080019292)

<sup>15</sup> <http://www.uslugi.gov.mk> (also checked on MoI phone number: 080019292)

The issuing of the citizenship certificate: 80 EUR (4,854.00 MKD)<sup>16</sup>.

The issuing of a regular passport: 1750 MKD, of which 250 MKD is in administrative tax stamps for persons over the age of 27 and 100 MKD for persons aged 4-27 (MOI website [www.mvr.gov.mk](http://www.mvr.gov.mk)) and 1500 MKD paid on a budgetary bank account.

The issuing of an emergency passport within 48 hours: 4750 MKD, of which 250 MKD in administrative tax stamps and 4500 MKD paid on a budgetary bank account<sup>17</sup>.

## 1.2 Travel to country of origin

Please see section 1.3 Entry procedures, for matters related to the entry and exit regulations in force, information related to transport<sup>18</sup> as well as the visa regime with passport holders of the different countries.

### 1.2.1 By air

There are two international airports in Macedonia: “Alexander the Great” and one small tourist Airport “St Paul the Apostle” opened for international travel.

“Alexander the Great”: is the main airport and in addition to the domestic airline Macedonian Airlines, there are 10 foreign airlines operating to and 15 European destinations, and from Macedonia to the same destinations. Direct lines are established and daily flights take place to and from the following destinations: Austria (Vienna), Czech Republic (Prague), Croatia (Split and Zagreb), Denmark (Copenhagen), France (Paris), Germany (Berlin, Düsseldorf and Hamburg), Hungary (Budapest), Italy (Rome, Milan), Netherlands (Amsterdam), Serbia (Belgrade), Slovenia (Ljubljana ), Switzerland (Zurich), and Turkey (Istanbul).

The airport is located some 17 km southeast from Skopje on the road E75 going towards Kumanovo as well as to Veles.

#### Contact details:

Address

Skopje "Alexander the Great" Airport 1043 Petrovec,  
Republic of Macedonia

Tel. +389 2 3148 300 Fax +389 2 3148 360

E-mail: [skpap@airports.com.mk](mailto:skpap@airports.com.mk)

[www.airports.com.mk](http://www.airports.com.mk)

<http://skp.airports.com.mk>

There is no airport shuttle bus in Skopje, which means travellers need to take a taxi for a 17 km trip to Skopje. A taxi trip from the airport to Skopje or the other way around would cost approximately between 1200 -1800 MKD denars (20-30 Euros (31-48))<sup>19</sup>.

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<sup>16</sup> <http://www.uslugi.gov.mk> (also checked on MoI telephone number: 080019292)

<sup>17</sup> Information checked in September 2008 using MoI's telephone number: 080019292.

<sup>18</sup> The ‘Section 1.6 Access to the returnee areas’, provides general and detailed information about the transport system in Macedonia

<sup>19</sup> The price is much less, if regular taxi companies are called to come from the city of Skopje.

Passengers are allowed to take one piece of cabin baggage weighing 5-10kg. The cabin baggage's total of width, height and length may not exceed 115 cm. Passengers are allowed to carry the following items on board free of charge: a coat, one umbrella or walking stick, one ladies handbag, one small camera or binoculars, one infant's carrying basket, one pair of crutches and/or braces or any other prosthetic device, other medical equipment on which the passenger is fully dependent and a reasonable amount of reading material, as well as a reasonable amount of baby food. On scheduled flights, adults, and children over two years of age, are usually entitled to a free baggage allowance that varies between airlines and travel classes: 20 kg on the economy class, 30 kg on the business class, and 10 kg for children below two years.

Airport "St Paul the Apostle": Ohrid "St. Paul the Apostle" Airport is a small tourist airport. At this Airport regular traffic is conducted by the domestic airline Macedonian Airlines and 4-5 foreign airlines, flying to 7-8 European destinations, and from those destinations to Macedonia: Austria (Vienna), Israel (Tel Aviv), Serbia (Belgrade), Slovenia (Ljubljana), Switzerland (Zurich), Germany (Düsseldorf), and Netherlands (Amsterdam).

The most convenient access to the airport is by Motorway E65 (the motorway extends to some 65-70 km and after that continues for 100 km as ordinary asphalt road). The airport is 10 km west of Ohrid. There are many signs directing towards the airport for passengers coming from Struga (using the motorway E852M and E 61) and Kicevo<sup>20</sup>.

Contact details:

Airport "St Paul the Apostle"

6000 Ohrid

Tel +389 46 25 28 20, fax. Fax +389 46 25 28 40

Email: [ops@airports.com.mk](mailto:ops@airports.com.mk)

[www.airports.com.mk](http://www.airports.com.mk)

<http://ohd.airports.com.mk>

### 1.2.2 By land

#### Border Crossing

The international highway E-75 runs north-south from Serbia to Greece, bisecting Macedonia, and is the most common route when entering Macedonia by road. There are also good roads connecting the country with Bulgaria to the east and Albania to the west. All the border crossing points are opened 24 hours a day, seven days a week, and 12 months a year. The Republic of Macedonia has fifteen official border crossing points: four with Albania, three with Bulgaria, three with Greece, three with Serbia, and two with Kosovo<sup>21</sup>.

From Albania: Through the Blato border crossing point in Debar, or Kjafasan in Struga, or Sveti Naum in Ohrid or Stenje in Resen. The first road leads to the city of Debar located in the southwest part of the county. The second road leads to the town of Struga and the lake of Ohrid. Similarly the third road comes out on the lake of Ohrid and the third road leads to the village Stenje in Resen.

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<sup>20</sup> Struga is located some 10 km from Ohrid. Kicevo is some 54 km from Ohrid.

<sup>21</sup> Information obtained from the tourism website: <http://mysticalmacedonia.com>

From Bulgaria: Through Deve Bair border crossing point in Kriva Palanka, through Delcevo leading to the town of Delcevo and through Novo Selo (Strumica) leading to the town of Strumica.

From Greece: Through Medzitlija leading to the city of Bitola and through Bogorodica leading to the city of Gevgelija and Dojran leading to the town of Dojran.

From Kosovo: Through Blace border crossing point, this leads to Skopje, and through Jazinec which leads to the city of Tetovo.

From Serbia: Through Tabanovce leading to the city of Kumanovo, through Pelince between K. Palanka and Kumanovo, and Sopot leading to Kumanovo; Tabanovce is an international border crossing point while Pelince and Sopot are interstate crossings.

As part of the measures for alleviating the consequences of the economic crises, adopted on the Government session in late April 2009, an increase in the number of border crossing points (before all Kjafasan -to Albania, and Tabanovce- to Serbia) is planned to take place by December 2009.

#### Means of transport

By bus: A number of bus lines connect Macedonia with all neighbouring countries and other European cities. Buses are frequent, and offer relatively inexpensive fares and professional services. Bus travel connections are available from the major cities in Europe (Brussels, Vienna, Malme, Sofia, Istanbul, Belgrade etc.). The international bus station (Phone: +389 (2) 2466313) is located in the centre of the city, together with the Central Railway station. The connections from Vienna, Budapest, Ljubljana, Zagreb, Belgrade, Thessalonica or Athens can be used; they arrive at the Central Bus Station in Skopje every day<sup>22</sup>.

#### Pricelist<sup>23</sup>:

Return ticket to Vienna: 7480 MKD (122 Euros)

Return ticket to Sofia: 1350 MKD (22 Euros)

Return ticket to Istanbul: 3790 MKD (62 Euros)

Return ticket to Zagreb: 5010 MKD (82 Euros)

Return ticket to Goteborg: 14,147 MKD (230 Euros)

Return ticket to Malme: 13,540 MKD (220 Euros)

By Train: An international train, operating twice daily, connects Ljubljana, Slovenia and Thessaloniki, and Greece to Macedonia. Stops include Tabanovce (the Macedonia-Serbia border crossing point), Kumanovo, Skopje, Veles, Gradsko, Negotino, Demir Kapija, and Gevgelija (Greek border crossing point), as well as a few small villages.

#### Price list:

Return ticket to Belgrade: 2,600 MKD (43 Euros)

Return ticket to Thessaloniki: 1,350 MKD (22 Euros)

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<sup>22</sup> Information obtained from the website of the bus station <http://www.sas.com.mk> and verified with the information clerks

<sup>23</sup> The original prices are in MKD Denars while the currency is approximate (subject to changes due to the increase of the fuel prices on the international market) based on a web resource: <http://www.xe.com/ucc/full/>

Return to Ljubljana: 5,600 MKD (91 Euros).

An east-west railway connecting Bulgaria with Macedonia is presently under construction. The connections from Vienna, Budapest, Ljubljana, Zagreb, Belgrade, Thessalonica or Athens can be used; they arrive at the Central Railway Station in Skopje every day<sup>24</sup>.

Contact Details:

Central Bus Station in Skopje:  
[www.sas.com.mk](http://www.sas.com.mk)  
+389 (2) 2466313

Central Railway Station in Skopje:  
[www.mz.com.mk](http://www.mz.com.mk)  
+389 (2) 3164255

Travelling requires a basic level of literacy and language skills. Thus, unaccompanied illiterate members of the Albanian, Turkish, and Roma communities in Macedonia would face difficulties in communicating with the various officials upon their entry in the country. It should be noted that the number of the ethnic Albanians employed in the public sector, including the airports, customs and border crossing points has significantly increased in the last couple of years, as a result of the implementation of the Ohrid's Peace Agreement<sup>25</sup>. For example, an illiterate returnee from the Roma or Turkish community in Macedonia who does not speak Macedonian or Albanian would face difficulty in communicating with officials at the airport or the border crossing point.

### 1.3 Entry procedure

When a traveller<sup>26</sup> comes to Macedonia, regardless of his/her civil status of being a citizen or a foreigner s/he has to undergo the same entry procedure that starts with the border police checking the passport or other travel documents - and after that, the custom office checks the goods that a traveller may carry with him/her. The passport is stamped by the border authority indicating the date of entry.

Interrogation happens when the authorities suspect: the validity of the travel documents; the impact of former actions in the country of origin or outside it, and/or if the traveller brings or carries goods that exceed the restrictions set by law<sup>27</sup> (the custom control checks the vehicles when travelling by land and the luggage at the airport).

The Republic of Macedonia requires no visas for the citizens of a number of countries<sup>28</sup>.

The citizens of Austria, Argentina Barbados, Belgium, Bosnia and Herzegovina, Vatican, United Kingdom and North Ireland, Greece, Denmark, Germany, Israel, Japan, Island,

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<sup>24</sup> Information obtained from the website of the Macedonian railways <http://mz.com.mk> and verified with the info desk clerks.

<sup>25</sup> The 2001 Framework Agreement ended the conflict between government security forces and ethnic Albanian rebels. It set out a strategic agenda giving equal representation of different ethnic groups in public life and local self-government, and the devolution of powers from the central government to the local government units.

<sup>26</sup> According to the Macedonian regulations a "Traveller" is every person, who crosses the boundaries of Macedonia.

<sup>27</sup> Every person visiting the Republic of Macedonia may import goods, envisaged by law, which do not have trade character (except from VAT and Excise taxes), for more information please see section 1.5 Customs regulation.

<sup>28</sup> Information can be obtained from the website of the Ministry of Foreign Affairs: <http://www.mfa.gov.mk>

Lichtenstein, Luxemburg, New Zealand, Norway, USA, Slovenia, Croatia, Finland, Malaysia, Netherlands, Switzerland, Sweden, and Spain can stay in Macedonia without visa for 3 months.

The citizens of Serbia, Turkey and Montenegro can stay in Macedonia without a visa for 60 days.

The citizens of Bulgaria, Botswana, Estonia, Ireland, Italy, Cuba, Cyprus, Latvia, Malta, Monaco, Peru, San Marino, Slovakia, Hungary, and the Czech Republic can stay in Macedonia without a visa for a period of 90 days.

The citizens of Canada, Poland, Portugal and Romania can stay in Macedonia without a visa. A visa is required for citizens of all the other countries. The exception to this rule applies for citizens of the Russian Federation, Azerbaijan, Belarus and Ukraine due to the Treaty signed between the government of the former USSR and SFRY on mutual travel of citizens, which is in force as of October 3, 1989. According to this agreement these citizens do not need a visa in the following cases: for diplomatic and official passports and the “business” clause; for tourist and group travel organized by tourist agencies and individually with “vouchers”; by authorization of invitation when visiting relatives and friends or by “authorised telegram” in emergencies (ceremonies, illness, etc up to 90 days); to visit the grave of a relative, which can be proven by Red Cross certificate; to travel for medical examinations or consultations, the referral or invitation from the health organization is submitted. All other cases require visa.

All foreigners entering the Republic of Macedonia are required to “register” with the police station closest to their address of stay within 72 hours upon their arrival in the country. For those staying in hotels this is done automatically by the hotel administration.

For citizens of the Republic of Albania and the Republic of Macedonia single entry visas or transit and group passport visas are issued at the border crossings between the two countries.

#### Visa procedure:

Visas are not issued in country and applicants will therefore contact Embassies or Consulates of the Republic of Macedonia abroad. The validity of the passport or other travel document of the applicant has to be minimum 3 (three) months. The applicant is to contact an Embassy or a Consulate of the Republic of Macedonia for additional information about the conditions and procedure for issuance of an entry visa. The Application may be submitted to the Embassy/Consulate of the Republic of Macedonia by post mail or by fax, in which case the applicant must collect the visa in person<sup>29</sup>.

#### **1.3.1 By air**

Travellers that prefer to enter Macedonia by air need to be informed that the security measures have increased following the global war on terror. Upon arrival in the airport hall, the traveller has to proceed to the passport desk, managed by the border police, submit the travel documents and inform the officer of the purpose of the visit. After completing this, the traveller has to proceed and collect his or her luggage, and then continue to the

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<sup>29</sup> Information obtained from the website of the Ministry of Foreign Affairs: <http://www.mfa.gov.mk>

customs authorities. The Custom Authority is the last control point on the airport and has two gates. One gate is for those that have “nothing to declare”- meaning the imported goods that they may carry comply with the limitations set by the custom authorities (their luggage can still be subject to scanning) and the other gate is for those passenger that “have goods to declare” and their luggage is automatically checked.

### **1.3.2 By land**

The entry procedures by land are similar to those by air. The difference is that the custom checks are done manually instead of through a scanner and that the vehicle used for travel is also subject to examination by the relevant border authorities. The same restrictions and regulations for airport border entrance apply for the land border entrance, except the airplane security measures.

### **1.3.3 By sea**

Not relevant.

## **1.4 Impacts of former acts and statuses upon entry**

Prior to the transfer from the requesting state and the admission by the Republic of Macedonia, security checks will be conducted by the Ministry for Internal Affairs. If the persons returning to Macedonia are subject to a criminal proceeding they will be treated in accordance to the legislation and the procedures of the country.

### **1.4.1 Impacts on former refugee and subsidiary protection status**

The Macedonian legislation does not foresee any restrictions, proceedings or other forms of state involvement upon the return of Macedonian nationals who have been granted or requested any form of asylum (i.e. refugee status, status of temporary protection or status of subsidiary protection<sup>30</sup>).

### **1.4.2 Impacts on former unsuccessful asylum claim**

There are no known cases of former rejected asylum seekers that have had problems upon their return to Macedonia, neither of political, nor of a social nature. The authorities treat them the same way as any other Macedonians that return from abroad. However, this does not exclude confrontation with criminal groups that have been involved in their illegal departure to the country of asylum, as often is the case, especially if the returnees may be engaged in witness capacity in proceedings against such groups.

### **1.4.3 Impacts of former illegal exit from the country of origin**

So far it is not known whether anyone have been subjects to legal proceedings because of illegal exits from Macedonia. However, this will be the case if the exit involved elements of forging personal documents, which is considered an offence in the Republic of Macedonia. According to the Penal Code, an illegal exit accompanied by the usage of force and weapons is considered “committing a crime”<sup>31</sup>. As for the corruption and bribes used for illegal exit from the country, it is very difficult to prove, trace and record such allegations without full cooperation of those that have exited illegally, thus there are no legal consequences in most of the cases.

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<sup>30</sup> *ibid*

<sup>31</sup> Article 402, Penal Code of Republic of Macedonia

#### **1.4.4 Impacts of crime committed outside the country of origin**

Macedonia signed the UN Convention against Transnational Organized Crime on December 12, 2000 and ratified it 5 years later on January 12, 2005. Furthermore, the European Convention on Extradition entered into force in Macedonia on October 26, 1999<sup>32</sup>. The latter applies for the extradition between parties of persons wanted for criminal proceedings or for serving sentences. The Convention does not apply to political or military offences and any party may refuse to extradite its own citizens to a foreign country.

In Macedonia, the State is obliged to prevent extradition of Macedonian citizens to be tried abroad, except when it concerns crimes against humanity subject to the International Criminal Tribunal for Yugoslavia. In this case the Macedonian citizen will be tried at home, if requested by the state, where the crime has been committed, with previous transfer of the prosecution to the Macedonian authorities.

As for foreigners, according to the Constitution the extradition can take place only if it is based on a ratified bilateral international agreement and based on the principle of reciprocity<sup>33</sup>. However, a foreigner cannot be extradited for political crimes. Acts of terrorism are not considered political crimes, and thus the constitutional protection is not applicable.

In accordance to the national legislation (article 14 of the Constitution, and article 5 of the Law on Criminal Proceedings) no person may be tried in a court of law for an offence for which s/he has already been tried. This is practiced in Macedonia and the same has been confirmed by the Association of Public Prosecutors of Macedonia.

#### **1.5 Customs regulations**

Each person that crosses the boundaries to Macedonia must declare the goods that are imported or exported from the Republic of Macedonia, in compliance with the existing customs regulations<sup>34</sup>.

##### Import of goods

The Custom Office of the Republic of Macedonia, has made clear the limitations on commercial goods, excise goods and goods that requests special certificates: goods for sale or commercial purposes; goods not for sale or commercial purposes, if their total value exceeds 175 EUR; prohibited or restricted goods for which special licenses or certificates are required (drugs, weapons, animals, plant seeds, goods from plant or animal origin, etc.).

A person entering Macedonia may import certain amount of goods for personal use without paying customs tax, if the import does not have a commercial purpose; all other goods, however, that one wants to import are going to be taxed according to the customs regulations.

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<sup>32</sup> Information obtained from an online web resource <http://conventions.coe.int/commun/churchesig>

<sup>33</sup> Please see the Constitution of the Republic of Macedonia (English version) <http://www.sobranie.mk/en>

<sup>34</sup> Information obtained from the website of the official tourism portal <http://www.exploringmacedonia.com>

The customs regulations allow importing goods for personal use in admissible number and quantity, especially goods such as tobacco products, alcohol, cosmetics, drugs (medicaments), equipment for disabled persons, and others. These benefits in respect to tobacco products, alcohol and cosmetics can not be applied to persons under 18 years of age.

Imported drugs (medicines) for personal use or equipment for disabled persons (except cars) as well as equipment for performing activities for disabled persons after the rehabilitation process and which are not produced in Macedonia, are exempted from customs taxes. The personal items that have been in property of a deceased person and which have been inherited abroad by citizens of the Republic of Macedonia are exempted from customs taxation. Imported animal products (cheese, meat, butter etc.) in an amount of more than one kg as part of their personal luggage must be declared for compulsory veterinary-sanitary inspection and control<sup>35</sup>.

Violation of these rules entails a risk of being fined from 50 EUR to 500 EUR<sup>36</sup>, in addition to the payment of all importing taxes for the goods.<sup>37</sup>

#### Cash allowance

Macedonian citizens are obliged to declare any foreign currency exceeding 10.000,00 EUR to the Customs office. The Customs office is obliged to request a statement as a proof for the origin of the declared amount and to issue a written certificate to the citizen that brings in the amount of foreign currency into the country<sup>38</sup>. This procedure is established to register the amount of foreign currency brought into the country, and also for preventing criminal activities. The Custom Office is obliged to inform the Office for Prevention of Money Laundering and Financing of Terrorism of all amounts that exceed more than 10.000, 00 EUR.

#### Animals

If the returnees want to bring in animals, especially pets from other countries, to the Republic of Macedonia, they have to follow strict rules and requirements established by the veterinary authorities in cooperation with the Custom Office. If the returnees or any other citizen do not meet these requirements and rules, the authorities shall undertake measures for returning the animal to where it came from and if this is not possible the animal will be put in quarantine or exterminated.

#### Customs inspection

Customs regulations grant the custom offices authorization for inspection of people (travellers) and vehicles that enters the territory of the Republic of Macedonia. Inspection has to be grounded on reasonable doubts that the vehicle contains taxable goods, forbidden goods or goods that have to be temporarily confiscated. Also, the custom officer may search

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<sup>35</sup> Important information published by the Customs Office of the Republic of Macedonia <http://www.customs.gov.mk>, checked in August 2008

<sup>36</sup> <http://www.xe.com/ucc/convert.cgi>

<sup>37</sup> Article 77 of the Law on the Customs Office (OGRM 46/2004, OGRM 81/05, OGRM 107/07 and OGRM 103/2008)

<sup>38</sup> Requirements for importing and exporting of cash and checks in international traffic <http://www.customs.gov.mk>. (Accessed April 30, 2009)

the travellers that enter the territory of the Republic of Macedonia, if he/she has reasonable doubts that the traveller is attempting to import illegal goods. The customs officer is obliged to invite another customs officer to be present during the search having a role of witness. For the persons younger than 14 years, a search may be conducted only in the presence of the parents, an adult taking care of the child, or in the presence of a social worker<sup>39</sup>.

Customs officers are obliged to undertake all customs measures without causing damage, but if the customs officer has caused damage during the inspection by following the rules, the Government is responsible for compensating the damaged<sup>40</sup>.

### **1.6 Access to return area**

Macedonia is placed at the cross-roads of South Eastern Europe's developed roads and railway infrastructure. This, in combination with the small size of the country enables access to every inhabited place within Macedonia in less than three hours.

Macedonia has 9,205 km of roads and 900 km of railway. Numerous car rental companies run by both national companies and local representatives of recognized western companies are available in Macedonia. While roads in Macedonia are generally good, drivers should be especially attentive to falling rock zones in mountainous areas, cows and sheep in rural areas, and road signs that can sometimes be either confusing or even non-existing. Drivers should also note that the Macedonian government has recently passed a law that prohibits talking on the mobile phone while driving, and also requires that drivers switch their headlights on, even during the day. Seatbelts are also mandatory.

At present, the intercity public buses have improved and most have air-conditioning. Skopje's buses work regularly from 5 am till midnight with reduced availability during the late night hours. Other cities, such as Kumanovo, Bitola and Tetovo all have local buses providing transportation in the urban areas and sometimes the outlying villages.

It is generally a good idea to find a taxi either by phoning a well-known taxi company or by locating a taxi in a taxi stop. Single taxis and especially taxi drivers soliciting travellers at the bus or train stations should be avoided as they are either too expensive or not safe. The best way is to book a taxi over the phone; the company will send a cab in less than 5 minutes. Legitimate companies can be recognized by name and often by their five digit phone number starting with '15' printed on the car. Taxis are also a mean of inter-city travel. Shared taxis often make a cost-effective and much faster alternative to inter-city buses<sup>41</sup>. Persons interested in this option will find dozens of drivers standing around the entrance of the Skopje bus station, shouting out the name of the town to which they will be going. Towns most often served in this manner include Kumanovo, Veles, Stip, Strumica, Kocani, and Radovis.

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<sup>39</sup> Article 30, Law on the Customs Office (OGRM 46/2004, OGRM 81/05, OGRM 107/07 and OGRM 103/2008)

<sup>40</sup> Article 74, Law on the Customs Office (OGRM 46/2004, OGRM 81/05, OGRM 107/07 and OGRM 103/2008)

<sup>41</sup> Information obtained from the website of the official tourism portal;  
<http://www.exploremacedonia.com>

### **1.6.1 Limitation on internal travel**

Currently there are no limitations on internal travel within Macedonia; the main cities are available through the national, regional and local roads.

Travelling is safe in the entire country and there are no police reports on security issues related to crime occurring on the roads.

#### **1.6.1.1 Administrative restriction**

There are no administrative restrictions for travelling in Macedonia.

#### **1.6.1.2 Practical obstacles**

There are no obstacles to get access to the cities, towns and villages in Macedonia.

### **1.6.2 Territories impossible or dangerous to approach**

All most all landmines and unexploded ordinances that have been planted during the 1999 Kosovo crises and the 2001 ethnic conflict in Macedonia have been cleared. This was done in a joint effort by the Coordinative body of the Government and international mine clearing organizations<sup>42</sup>.

### **1.6.3 Means of internal travel**

Roads: The backbone of the country's road network consists of the two Pan-European Corridors 10 and 8 which the European Union has defined as strategic connections that require additional funding for rehabilitation and upgrade. These are:

Corridor 10, from Tabanovce at the Serbian border up to Bogorodica located on the Greek border, through Kumanovo and Veles. This section of road is 176 km long, and has been progressively upgraded to motorway standards on 109 km. This has been done in general by doubling an existing two lane highway by a second carriageway, sometimes at a noticeable distance from the old one (up to 5 km). This type of upgrading is still underway in south of Negotino, mostly with EU financing. Traffic levels are between 3,300 and 2,000 vehicles/day.

Branch C of Corridor 10, from Gradsko to Medzitlija, at the Greek border, through Bitola, a two lane highway reconstructed 15 years ago on its most trafficked section.

Corridor 8, from Kafasan at the Albanian border up to Deve Bair at the Bulgarian border, through Struga, Gostivar, Skopje and Kumanovo, with a stretch in common with Corridor X, from Miladinovci to Kumanovo. Part of this link is already a motorway, either constructed on a new alignment, section Gostivar-Tetovo, or upgraded as mentioned above. Other sections have the regular standards of two-lane highways, with a slow vehicle lane when necessary. Traffic on both sides are 1,500/2,500 vehicles a day.

The so-called Central Route of Corridor 8, the Ohrid-Bitola link between the two corridors, and the Veles-Kocani-Delcevo link towards Bulgaria and branch B of Corridor IV. The above two links are partly standard two-lane highway, partly substandard, mostly east of Kocani, where traffic is 4,000 vehicles a day.

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<sup>42</sup> Meeting with Mr Dragan Tarculovski, Head of the section for Operative Coordination of the Crises Management Centre, Skopje in June 24, 2008.

The Skopje-Blace link, at the Kosovo border crossing is of poor condition. Still some 4,000 vehicles pass a day.

As for the condition of the roads, the Automobile Federation of Macedonia<sup>43</sup>, through their website offers up-to-date information about the roads conditions in terms of the prevailing climate circumstances, construction work being carried on a particular road, the border crossing points, throughout the country<sup>44</sup>. Unfortunately these services and information are available only in Macedonian language.

Buses: The interurban travel is possible throughout private bus lines, small vans (8-10 persons) and taxi services. The official price list of the private bus lines is determined by the transport company.

Bus lines to the entire country leave from the central bus station in Skopje. The ticket price ranges from 70 MKD to 500 MKD (1.1 EUR to 8.3 EUR). For more information please consult the website: <http://www.sas.com.mk/en/timetable.php>

The Railways: The Macedonian Railways ('Makedonski zeleznici') network consists of 696 km of open line that includes 226 km of direct (through) station track. The Government considers as a high strategic priority the completion of the 55 km line from Beljakovci to the Bulgarian border.

Tabanovci-Gevgelija: through Skopje and Veles, corresponds to the main axis of Corridor 10. It is prolonged in the North to Belgrade, Zagreb and Ljubljana, and in the South to the port of Thessaloniki. It is an electrified single-track line. This line was the first constructed in 1873 to link Skopje and Thessaloniki, and was later extended to the north. It has been improved regularly, but its last overhaul on most sections is now 30 years old. North of Skopje, speed on the line is 110-130 km/h. South of Skopje, allowed speed is reduced to 100 km/h, with many stretches at 65-70 km/h, and a few at even less in the South of Veles.

Gorce Petrov-Kicevo: on Corridor 8, which ends at 66 km of the Albanian Railway system at Q.Thanes, but with a rough terrain in between. This line was constructed in 1952/1969 and is generally good.

Skopje-General Jankovic: at the FRY border (Kosovo), which continues to Pristina.

Veles-Bitola-Medzitlija: at the Greek border and connects further with the Greek system, but with secondary and low standard lines. It follows the branch D of Corridor 10. It was constructed in 1939.

Kumanovo-Beljakovce: towards the Bulgarian border to the east. This last branch may be the first section of the link between the Macedonian Railways and the Bulgarian Railways, on Corridor 8.

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<sup>43</sup> <http://www.amsm.com.mk>

<sup>44</sup> The Automobile Federation of Macedonia is public authority created in 1945 as an association of citizens that unites all the automobile, auto-motor association and clubs in the country. The federation was given a public mandate and authority. The premises of the association are located at "Ivo lola Ribar" no.50 in the central Skopje, contact number: +38923181181.

## 2. Physical Security

Macedonia is a small, land-locked country in south-eastern Europe, formerly part of Yugoslavia. Its population of about 2 million people includes approximately 64% ethnic Macedonians, a large ethnic Albanian minority (representing about 25% of the population), as well as some ethnic Turkish, Roma and Serb minority communities. For nearly a decade after gaining independence in 1991, Macedonia managed to avoid the kind of bloody ethnic conflict that engulfed other former Yugoslav republics, and even appeared to serve as a sort of model for ethnic co-existence in the region. Nevertheless, the international community remained concerned about the possible consequences of any “spill over” of fighting into Macedonia, since it was feared that conflict once sparked in Macedonia could spread beyond its borders and lead to a regional war.

In early 2001, an ethnic insurgency threatened to derail Macedonia’s fragile stability and to lead to another extended conflict in the Balkans. Ethnic Albanian guerrillas calling themselves the “National Liberation Army” (NLA, many with ties to the former Kosovo Liberation Army) claimed responsibility for a series of attacks on Macedonian police units. The incidents sparked an eight-month armed conflict between the insurgents, who claimed to be fighting for improved rights for the ethnic Albanian community, and Macedonian police and armed forces. The conflict spread from the border region with Kosovo to areas around the capital, Skopje. Later that year, U.S. and European intervention led to the signing of the Ohrid Framework Agreement, which outlined a package of political reforms to expand the rights of the ethnic Albanian minority (and the other domicile minorities) while rebel forces were disarmed and disbanded under NATO supervision. Implementation of the Ohrid agreement proceeded slowly at first but has progressed in recent years<sup>45</sup>.

Macedonia’s current multi-ethnic government remains committed to the Ohrid process. Its surrounding region has remained relatively calm, with all western Balkan states seeking closer association with and membership in NATO and the European Union.

Macedonia has been in a dispute with Greece over use of the name “Macedonia” ever since it declared independence in 1991. Macedonia has asserted its right to use the name and be recognized by its constitutional name, the Republic of Macedonia. Greece has objected to its northern neighbour’s use of the name “Macedonia,” claiming that it usurps Greece’s heritage and implies territorial ambitions at Greece’s expense. Macedonia entered the United Nations in 1993 under the provisional name of “the Former Yugoslav Republic of Macedonia (FYROM)”. Overcoming a stretch of tense relations and a Greek trade embargo, Athens and Skopje signed a bilateral agreement in September 1995 that normalized relations and settled all outstanding issues except for the name. Since then, Macedonian and Greek representatives have met periodically under U.N. auspices to continue consultations on the name disagreement, but no mutually acceptable solution has yet been reached. U.S. diplomat Matthew Nimetz has acted as the U.N. Secretary-General’s personal envoy in these talks for the past several years. To summarize it, in May 2008, failure to resolve the dispute resulted in a postponed invitation of Macedonia to join the NATO Alliance under the condition of working on a positive resolution of the name dispute, after

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<sup>45</sup> For more information please see the website of the US institute for peace:  
<http://www.usip.org/pubs/specialreports>

which Greece - already NATO member state - used its right to Veto Macedonia's membership in NATO.<sup>46</sup>

Kosovo represents a focal concern of strategic interest in the region and beyond. Macedonia's political leaders have neither played nor sought a direct role in Kosovo's governing situation or final status deliberations; nevertheless, many observers believe that what ultimately happens in Kosovo could have a particularly strong impact on Macedonia. As a result of the lobbying and the pressure by the political elite of the Macedonian Albanians the government recognised Kosovo's independence on 9 October 2008<sup>47</sup>.

### **2.1 On-going armed conflict**

There are currently no armed conflicts in Macedonia following the Ohrid's Peace Agreement.

### **2.2 Regions with high security risks**

Despite a significant improvement in the security situation since the serious inter-ethnic violence in 2001, occasional acts of inter-ethnic conflicts continue to occur. The overall security situation in Macedonia is stable, although occasional criminal violence does take place. Persons coming to Macedonia should avoid areas with demonstrations, strikes, or roadblocks where large crowds are gathered, particularly those involving political causes or striking workers, especially during pre-election periods.

Region bordering Kosovo: A high degree of caution should be exercised in the region bordering to Kosovo, including adjacent areas of southern Serbia, because of the threat of inter-ethnic violence. Following Kosovo's declaration of independence from Serbia on February 17, 2008, the security situation in Kosovo, including areas bordering the Republic of Macedonia could deteriorate rapidly. Political demonstrations can turn confrontational and possibly escalate into violence. The border between the Republic of Macedonia and Kosovo has been subject to the closing down of all traffic at short notice in the past. Tensions also exist between the ethnic Macedonian and ethnic Albanian communities in this region. Isolated incidents of inter-ethnic violence continue to occur. The immediate border areas beyond designated crossing points are restricted military zones. Landmines and unexploded ordnance are present in the mountainous areas bordering Kosovo, although the region was cleared<sup>48</sup>. The region has turned into a centre of criminal activities sometimes beyond the reach of the state, where mixed political and criminal groups dominate the region.

### **2.3 Crime**

The most common crimes faced by travellers to Macedonia are pick pocketing and petty theft which are particularly common in urban areas. Groups of street children will, on occasion, surround a traveller to beg for money while simultaneously relieving the individual of his or her wallet or other valuables. Foreigners are rarely the victims of violent crime in Macedonia, but guns and ammunition are common throughout the country.

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<sup>46</sup> <http://www.globalpolitician.com/24913-balkans>

<sup>47</sup> A customary law has developed in Macedonia that the winning Albanian political party comprises the government coalition.

<sup>48</sup> Meeting with Mr Dragi Tarcugovski, Head of the Section for Operational Coordination, Skopje, June, 24, 2008

Travellers should also be aware of organized crime groups that occasionally engage in turf battles or revenge-type actions in bars and other public venues. On occasion, these actions by organized crime groups have resulted in some injuries to innocent bystanders, so travellers should remain aware of their surroundings and on the look out for suspicious activity. During major holidays, (weddings and other celebrations) unregulated fireworks and gunfire can be heard throughout cities and the countryside alike. Travellers should remain alert to avoid the threats posed by fireworks and random gunfire during holidays.

Credit card fraud is not uncommon in Macedonia but credit cards can be used relatively safely in larger Western-style establishments, such as hotels. However, credit cards are not recommended for use at smaller restaurants and shops. Valuables and credit cards should not be left unattended in hotel rooms or any other location. Doors and windows in hotel rooms and lodgings should be firmly secured when not in use. ATMs are generally safe to use as long as standard personal security precautions are exercised.

There are many private security services and guard companies in Macedonia, many of which cater to bars, clubs, and cafés. There are several larger, well-known guard companies used by foreign embassies and companies to provide quality security guard services.

### **2.3.1 Regions with an extremely high level of crime**

According to the statistics of the Ministry of Interior of the Republic of Macedonia, Skopje Region has the highest crime rate in Macedonia. It is several times higher than the Tetovo and Kumanovo regions which have been affected by the conflict in 2001.

### **2.3.2 Risk of becoming a victim of human trafficking**

At the end of 1990'es and beginning of 2000, Macedonia was considered a transit country for human trafficking. However, according to officials and other observers, the number of individuals trafficked within Macedonia has been increasing<sup>49</sup>.

The victims of trafficking are often women from Romania, Moldova and Ukraine who thought that they would find better paid jobs in west European countries. Most of the victims have been kept in night bars in western part of Macedonia and forced to provide sexual services for customers. In the cases where the victims are Macedonian, they have in many cases been sold by their parents or close relatives as most of them come from very poor families. According to the statistics of the Ministry of Labour and Social Care (2005/2006)<sup>50</sup>, a high percentage of the Macedonians (70%) involved have established contact with the trafficker voluntarily<sup>51</sup>. Most of the potential victims of human trafficking come from dysfunctional families (91%) and 55% of the potential victims of human trafficking are without any income. Most of the victims are aged 15-18 years (44%) and 10-14 years (20%, according to statistics provided).

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<sup>49</sup> UNHCR Report - 2007.

<sup>50</sup> The analysis of the data of the potential victims of human trafficking, page 48, Report of the National Referral Mechanism for Victims of Trafficking in Human Beings (2005/2006).

<sup>51</sup> PhD Verica Stamenova Trajkovska, presentation on topic "Psychological profile of the victim of human trafficking", Seminar "Trafficking in human beings - training for lawyers and attorneys" - March 29, 2008, Skopje - MYLA and IOM.

### **2.3.3 Risk of becoming a victim of forced prostitution**

Forced prostitution in the Republic of Macedonia is a criminal offence under the Criminal Code, Article 191. Recently, all sanctions related to forced prostitution have become more severe.

Macedonian institutions and NGOs undertake measures for prevention of victims of forced prostitutions, through programs for education, institutional measures, and legislation.

### **2.3.4 Effectiveness of protection**

Macedonia faced many cases of corruption in the process of privatization which affected all segments of Macedonian society. With the reforms in the judiciary and police, the Government has established specialized departments within the police, public prosecution and courts for fighting organized crime and corruption. As a result Macedonia has gone from being number 106<sup>th</sup> (in 2004) to number 84<sup>th</sup> (in 2007)<sup>52</sup> on the Corruption Perception Index of Transparency International. However, there are still a large number of cases of corruption in the civil service, judiciary, health, and educational system which is a result of low salaries and lack of integrity trainings and assessment of civil servants.

#### **2.3.4.1 Police forces**

The Agreement for Stabilization and Association signed between Macedonia and the EU in 2001 required an obligation to reform the police. After the armed conflict in 2001, one of the recommendations of the peace accord was an intervention in the police segment through reforms focused on strengthening police capacity and achieving proportional representation of the non-majority ethnic groups to increase confidence among all ethnic groups in Macedonia. The process of achieving balance in the representation of all ethnic groups in the police is in the last stage, i.e. the balance has been significantly improved in respect to the period before the armed conflict in 2001<sup>53</sup>.

#### **2.3.4.2 Judiciary**

The Macedonian judicial system was restructured with the Law on Courts which was adopted in 1995. According to this Law all specialized courts (court for labour relations, commercial court and court marshal) established in the socialistic period were invalidated. A new judicial system was established comprised of three levels of courts with a general jurisdiction: basic courts, courts of appeal, and Supreme Court. Judges are appointed by the Assembly of the Republic of Macedonia on the proposal of the Republic Judicial Council.

According to the Law on Courts adopted in 2006, the citizens can exercise and protect their rights in front the Basic Courts (in almost all cities), to appeal verdicts and decisions of the basic courts in front to Appeal Courts (4 appeal regions: the Skopje Appeal Court, the Bitola Appeal Court, the Shtip Appeal Court and the Gostivar Appeal Court), and to appeal decisions of the Appeal Courts to the Supreme Court of the Republic of Macedonia with seat in Skopje. If the citizens want to protect their rights in the administrative procedures they have a right on legal remedy i.e. right to appeal each decision of the administrative body in front of the higher administrative body in appeal procedure. If the citizen is not satisfied with the decision upon appeal procedure, or if the Law does not provide possibility for appealing the first level administrative decision, the citizen has a right to protect his/her

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<sup>52</sup> [http://www.transparency.org/policy\\_research/surveys\\_indices/cpi](http://www.transparency.org/policy_research/surveys_indices/cpi)

<sup>53</sup> <http://siofa.gov.mk/>

rights in front of the Administrative Court. The Administrative Court has its seat in Skopje. Decisions of the Administrative Court are final.

In 2007, a new system for appointing and dismissing judges, and assessing and evaluation of the work of judges was introduced. The new body has been established by the Law on Judicial Council of the Republic of Macedonia. The Judicial Council (JC) consists of 15 members. Citizens that have identified lack of impartiality or possibility of corruptive behaviour of judges in their cases or under other circumstances can submit a case to the JC. JC is obliged to undertake all necessary activities for determination of the facts that may lead to malpractice and impartiality of judges.

### **3. Social Security and Integration**

#### **3.1. Regions with no integration and return opportunities**

In general, there are no regions where return or reintegration is an issue. However, some regions provide better climate for the returnees to reintegrate than others.

Most of the European transition economies have suffered from rising poverty rates. As a country in transition, Macedonia is facing numerous problems and changes, among them the transition from socialist to market economy, privatization and decentralization processes, and the recent global economic crises which has hit Macedonia in 2009, with some 20,000 workers mainly from the metallurgy and textile sector staying at home (drop of demand of the Macedonian export products)etc. One of the basic problems is the change in the socio-economic structure of the population, which affects people's way of life. The social and economic status of most of the rural population has initiated migration towards urban centres. In the urban areas there is poverty, illegal settlements, inadequate traffic and communal infrastructure - all affecting the quality of environment.

A part of the population solves their housing problem by illegally building on state-owned land in the suburban areas of the towns. It is estimated that there are about 100 illegal settlements, which do not have access to basic infrastructure, safe drinking water, sanitary and solid waste drainage etc.<sup>54</sup>

In a transition economy such as Macedonia's, poverty has appeared suddenly for many of its citizens. About 20 percent of the total population in Macedonia lives under the official poverty line<sup>55</sup>. Poverty in Macedonia is most widespread in the rural areas.

The poor population in Macedonia can be divided into three groups: the traditionally poor, the new (emerging) poor, and the chronically poor:

- a) The group of traditional poor consists of rural agricultural households with more than three children, the group which formed the majority of the poor in the period before the transition.
- b) The group of newly poor are non-agricultural households with low-paid workers and the unemployed, persons that lost their jobs as a result of the global economic crises, pensioners and some recipients of social benefits, and

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<sup>54</sup> [http://www.stat.gov.mk/english/glavna\\_eng.asp](http://www.stat.gov.mk/english/glavna_eng.asp)

<sup>55</sup> In Macedonia poor households are defined as those which earn less than 70% of the average household income.

- c) The group of chronically poor, are older people without pensions, the disabled, old rural households without any fixed income, and others who are not able to work and with minimal chances of escaping poverty irrespective of economic growth.

The northern part of the country is poorer than the southern, and poverty is particularly acute in the north-east, where there are more unemployed people and pensioners. There are proportionately more farmers among the poor people in the north-west<sup>56</sup>. The causes of rural poverty and underdevelopment include: massive unemployment resulting from the breakdown of the central command economy; lack of financial and technical services for improvements in agriculture; and lack of access to national and international markets for agricultural products

Residents of many rural settlements and especially residents in remote villages experience poverty in the form of poor public infrastructure and services. They lack transportation, stores that offer basic supplies, clean drinking water, schools, ambulances, and telephone networks. The largest parts of the rural poor are not included in the system of retirement and health protection.

Gender differences are apparent among rural residents: 75 % of those who are illiterate are women, 73 % are without formal education, and 57 % are without a completed primary education.

The rates of illiteracy among adults are high in the Northeast (12.5%), Vardar (10.3%) and eastern (10.0 %) regions.

The elderly (over 64 years) constitute a large percentage of the population in villages in the Pelagonian (16.0%), Eastern (12.6%), North-east (11.4 %) and Vardar (10.6 %) regions.

Macedonia is divided in eight statistical regions in accordance with the law on territorial organization of the local self government<sup>57</sup>:

Pelagonija region: Bitola, Demirhisar, Krusevo, Krivogastani, Dolneni, Mogila, Novaci, Prilep i Resen.

Vardar region: Veles, Grdsko, Demirkapija, Kavardi, Negotino, Rosoman and Caska.

Northeast region: Kratovo, Kriva Palanka, Kumanovo, Lipkovo, Rankovce and Staro i Novo? Nagoricani.

Southwest region: Vevcani, Struga, Debar, Debarca, Drugovo, Zajas, Kicevo, Makedonski Brod, Oslomej, Ohrdi, Plasnica, and Centar Zupa.

Skopje region: Aerodrom, Butel, Gazi Baba, Gjorce Petrov, Karpos, Kisela Voda, Saraj, Centar, Cair, Suto Orizari, Zelenikovo, Aracinovo, Ilinden, Petrovac, Sopiste, Studenicani and Cucer Sandevo.

Southeast region: Bogdanci, Vasilevo, Valandovo, Bosilevo, Gevgelija, Dojran, Konce, Novo Selo, Radovis and Strumica.

<sup>56</sup> For more information please see the website of the International Fund for Agricultural Development (IFAD): <http://www.ruralpovertyportal.org/english/regions/europe/mkd/index.htm>

<sup>57</sup> Official Gazette of Republic of Macedonia no.55/44

**Polog region:** Bogovinje, Brvenica, Vrapcista, Gostivar, Zelino, Jagnovce, Mavrovo and Rostuse, Tearce and Tetovo

**East region:** Berovo, Delcevo, Vinica, Zrnovci, Karbinci, Kocani, Lozovo, Makedonska Kamenica, Pehcevo, Probistip, Sveti Nikole, Cesino-Oblesevo and Stip.

There are substantial differences in the unemployment rates by region. It is lowest in Skopje (30.4%) and highest in Polog (49.9%). Critical aspects of unemployment in Macedonia are long-term unemployment (over 1 year) and the unemployment of young people.

### **3.2 Housing, accommodation**

In Macedonia, more than 50% of the urban population either live or work in Skopje. Compared to the other countries in the region, Macedonia has one of the highest percent of urban dwellers namely 54% according to the census taken in 2002. At the same time homelessness and the emergence of people with unsolved housing issues represent one of the most severe forms of poverty.

Macedonia has problems with determining property ownership rights and their registration, in managing the housing objects, as well as in spatial planning. The state has begun to reform the present legislation (i.e. new Law on Construction Land) and has planned to introduce many new laws and programmes in order to improve the quality and standards of the housing policy in Macedonia. Among these, for instance, the country envisages completion of the infrastructure of the non-planned settlements, provision of urban services and legalisation of the illegally built objects, increasing and differentiation of the entire social or public housing fund that is under state controls, such as apartments owned by the state that are foreseen for the social groups with low incomes, subventions by the state for the social groups during rentals of flats, more precise definitions of the status “socially vulnerable groups”, regulated social housing, determination of minimal standards of social apartments building, and building of low cost apartments and other subventions for the social groups, avoidance of forceful removal from houses and provision of alternative housing instead of homelessness etc.

#### **3.2.1 Property restitution and/or compensation**

The conditions and procedure of property restitution for citizens of the Republic of Macedonia are regulated in the Law on Denationalization<sup>58</sup> from April 29, 1998. This law covers the property that has been deprived from the citizens on the grounds of nationalization, expropriation, confiscation, agrarian reform as well as other laws and regulation that entered into force after August 2, 1944.

For the purposes of the denationalization process, the Ministry of Finance has established a Commission for deciding upon requests for denationalization. The state returns the entire (same) property to the requester, and if this is not possible, a part of it. Furthermore, the Government will decide to compensate the requestor when returning the property is not possible (the compensation includes another property, stocks/shares, or bonds).

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<sup>58</sup> Law on Denationalisation (Official Gazette of Republic of Macedonia NO. 20/1998) and Law on Amending of the Law on Denationalisation (Official Gazette of Republic of Macedonia No. 31/2000, 42/2003 и 44/2007); source: [www.pravo.org.mk](http://www.pravo.org.mk)

After the cut-off date of 5 years from the day of the Denationalization Law entering into force, one can only request compensation, if there are not obstacles (legal or factual). The final deadline for submission of denationalization claims<sup>59</sup> was closed on December 31, 2007<sup>60</sup>.

Compensation in the former areas of conflict:

The ethnic conflict from 2001 has led to extensive damage to a number of villages and the displacement of a significant proportion of the local population. More than 7,000 houses were damaged or completely destroyed during the conflict. Estimates put the number of displaced people to 155,000. Of these, 75,000 people or 18,650 families were displaced in Macedonia, and approximately 80,000 people were displaced to Kosovo. In Macedonia 4,000 people or 850 families were lodged in collective homes whilst the rest lodged with families. A number of refugees (mostly Roma) who fled Kosovo during the 1999 crisis are still living with Macedonian families.

The state provided financial assistance to internally displaced persons (IDPs) in order to replace basic household and farming items that were destroyed during the conflict. Also it ensured safety and sustainability of the return of IDPs by providing adequate alternative housing to IDPs when collective centres are vacated, and settling pending compensation claims of IDPs<sup>61</sup>.

From the conflict in 2001, according the data of the Ministry of Labour and Social Policy<sup>62</sup> from April 2008, there are still 771 IDPs or 254 families displaced. They are all from the Kumanovo villages Matejce, Opae, Ropaljce, Vistica, as well as Tanusevci in Skopska Grna Gora, Skopje villages Aracinovo, Gracani and Radusa, as well as Tetovo villages Zerovjane and Neprosteni. In the collective centres, 362 IDPs are placed and 409 are hosted by families. Among them there are Macedonians, Serbs, Roma, and Albanians. The state and the international community have paid 17,000 EUR/IDP.

### **3.2.2 Housing programmes by return areas**

According to the official information received from the Department within the Ministry of Labour and Social Policy of Republic of Macedonia (MLSP)<sup>63</sup>, due to the small number of persons who return to Macedonia by readmission, the MLSP has not applied any special measures or programs for them. So far, the Ministry has been contacted only in cases when people needed to be accommodated in a certain institution. At present moment, one person is placed in Cicino Selo. According to the officials from this Department of the MLSP, in future (2009-2010) an information office is being planned through which the returning persons under readmission agreements will receive all necessary information about the ways in which they can fulfil their rights through the institutions of the system.

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<sup>59</sup> <http://www.finance.gov.mk/mk/meni.htm>, 18.06.2008

<sup>60</sup> By this date the Commissions for denationalization received a total of 30,744 requests. At present there are less than 6,000 requests that need to be resolved, out of which 2,599 have been returned back to the first degree Commissions by the Control Commission, for additional completion.

<sup>61</sup> We have acquired specific information by the institutions about the status of the compensation, and the information is still awaited.

<sup>62</sup> <http://www.mtsp.gov.mk>

<sup>63</sup> Ministry of Labour and Social Policy. Information obtained on October 6, 2008

The Government has established a National Committee on Human Settlements - HABITAT.<sup>64</sup> This Committee is under the Ministry of Environment and Spatial Planning of Republic of Macedonia. It is working to resolve problems in the spatial and urban planning and it has initiated a programme, called: *Programme for planning and managing of the urban and spatial development for the period of 2007 - 2008*. A special accent in the Programme is put on the social problems and poverty that need to be further addressed within the “*Strategy for Decreasing of the Poverty*”, prepared by the Government of Macedonia in collaboration with the World Bank in 2002.

The Ministry of Labour and Social Policy of Republic of Macedonia has adopted special programmes and strategies as part of the Project “*Decade of the Roma*”. Among them there are documents and action plans directed towards the improvement of the housing and accommodation standards of the Roma population<sup>65</sup>. In the poorer Roma settlements, such as Sutka (Shuto Orizari municipality) and Topaana (Chair municipality) in Skopje, however, there are still apparent continuous problems with illegal buildings as well as an extreme level of unsolved sanitary problems. Despite the government efforts to allocate budget funds supplemented by many international programmes, and the building of special houses - barracks for this group - many prefer the tradition of travelling from one place to another.

In Macedonia, according the data from the State Statistical Office<sup>66</sup>, 2,507 constructions were illegally built during 2007. Most of the illegally built constructions were built in Chair municipality (9.3%); Karposh municipality (8.1%), Gjorche Petrov (6.1%); Ohrid (5.0%); Prilep (4.2%), and Aerodrom (4.1%).

### **3.2.3 Opportunities of building a house**

A main precondition for building a house in Macedonia is that the land is private property. See section 3.2.3.1 (transformation of the right of use).

The complete procedure for acquiring a building license can be found on next links available only in Macedonian language<sup>67</sup>

The construction of a 1m<sup>2</sup> costs a minimum of 400 EUR. The construction costs vary depending on the quality of the building material used and communal taxes which again are linked to the location.

#### **3.2.3.1 Conditions of obtaining land property**

In Macedonia land is divided into two categories namely agricultural land and land for construction.

##### Agricultural Land

Agricultural land can be either state or private property.

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<sup>64</sup> <http://www.moep.gov.mk> The decision was made in accordance with Macedonia's membership of the *United Nations Economic Commission for Europe* from 8 April 1993, the *Committee on Human Settlements* and the implementation of the HABITAT Agenda. The decision was made on its 34<sup>th</sup> Session held on 5 February 2002

<sup>65</sup> <http://www.mtsp.gov.mk/>

<sup>66</sup> <http://www.stat.gov.mk/pdf/2008/6.1.8.29.pdf>

<sup>67</sup> <http://www.kiselavoda.gov.mk/mak/index.asp?id=104>, <http://opstinacentar.gov.mk>  
<http://www.bitola.gov.mk>

The procedure of obtaining land property is the same as the procedure of obtaining real estate which mean the buyer should conclude a contract in a written form certified and stamped by the public notary and s/he also should pay a sale tax (see section 3.2.4.1.).

The state agricultural land can be given for use to legal and persons, registered for agricultural production or manufacturing of primary agricultural products, but also to foreign legal persons by means of public advertisement and with a lease agreement, concluded in written form, recorded in the relevant department of the State Office for Geodesy (Cadastre) Affairs (“Државен завод за геодетски работи”).

#### Construction Land

Construction land in Republic of Macedonia (Law on Construction Land)<sup>68</sup> can be the property of the state as well as the property of local and foreign physical and legal subjects. The inclusion of the latter category is part of the government’s Programme for Attracting Foreign Investments. Furthermore, the property of the land does not only cover the surface but also what is permanently connected with it, on and under the surface, unless otherwise predicted by law.

The procedure for registering rights to construction land is the same with the one for registering rights to real estate, described in detail under section 3.2.4.1.

In Macedonia, there are neither limitations nor conditions to obtain the right of property on construction land as well as transferring the right from one to another subject.

#### Transformation of the right of usage of the land in state property into right of property

A great part of the land in Macedonia has been under state ownership. Its citizens had only right to use the land where their object was placed. With privatization the transformation of the right to use to the right to own was made. The privatization of the construction land into state property is exempt from payment of circulation of estate and rights tax.

The right of property over land for construction can be transformed with or without reimbursement depending on whether the user owners have already received compensation during the nationalization of the land.

The Department for Property-legal Issues in the Ministry of Finance is the competent authority for determining compensation for the privatization of land for construction. Beneficiaries of social assistance<sup>69</sup> can be temporarily relieved from obligation for fee payment or in case the status was acquired for the time of the duration of the obligation for fee payment, as well as persons beneficiaries of permanent financial assistance and children without parents and parent care until 18 years of age as well as after the custodianship terminates, but not later than 26 years of age, if they are part of the regular educational system.

#### **3.2.3.2 Relevant approximate prices**

The price of land for construction purposes varies depending on location. For example, in the city centre of Skopje and its immediate surroundings the price of land ranges from 500 -

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<sup>68</sup> Official Gazette No 82/08 from 08.07.2008.

<sup>69</sup> Law on Social Welfare (Official Gazette of Republic of Macedonia No.21/2006) and Law Changes (Official Gazettes of Republic of Macedonia No. 40/2007) source: [www.pravo.org.mk](http://www.pravo.org.mk)

1000 EUR per m<sup>2</sup>. In the more luxurious settlements such as Vodno, Przino and Crnice, the prices may reach 800 - 1000 EUR per m<sup>2</sup>. In the suburbs and weekend locations of Skopje the prices range from 80 - 100 EUR per m<sup>2</sup>.

Prices<sup>70</sup> of basic construction materials expressed in MKD (1EUR = 61.46 MKD)<sup>71</sup> are as follows:

Cement:	350 MKD (~5,70 EUR)/ 50 kg
Block brick (empty):	25 cm/38 MKD, 20 cm/32 MKD, 16 cm/28 MKD
Construction wire:	30.730,00 MKD (~500 EUR)/1 ton
Construction iron net: 5/6/8/10	31 MKD(~0,50 EUR)/kg
Nails: 5/6/7/8/10/12.	90,00 MKD (~1,50 EUR)/1kg

### 3.2.3.3 Available credit, subsidies and other forms of help

All major commercial banks offer loans to purchase land for construction purposes. The interest rate on those loans range from 4 - 5 %. The same banks offer regular housing loans.

The credit (loans) for individual farmers and companies who work in the agricultural sector are given on the conditions below:

- Credit which can be used for primary agricultural production amounting up to 25.000 EUR for individual farmers and 100.000 EUR for companies. The payment period is 7 years with an annual interest rate of 4 %.
- Credit that can be used for primary agricultural production and trading of agricultural products amounts to 25.000 EUR for individual farmers and 200.000 EUR for companies. The payment period is 7 years with an annual interest rate of 5 %.

<http://www.nlbtc.com.mk/Default.aspx?mid=184&lld=1>

<http://www.kb.com.mk/stopkredit1.asp?id=k#>

### 3.2.4 Opportunities of buying real estate

Macedonia has experienced a virtual building boom from 2000 and onwards, the reason being that a large number of small private contractors has appeared which again has enabled more houses and apartments to be built, especially in the capital.

Macedonia has had a fair number of building scandals where apartments have been sold to two or several clients by some investment companies. These dealings have been revealed after the owners of the sold apartments realized that there are more buyers of the same apartment and that there are no legal ways to prove who the rightful owner is. The notaries who certified the deals were also not aware of this betrayal. A number of citizens lost their long time savings and considerable distrust was created among future potential buyers. As a result of the above, some municipalities (ex. Kisela Voda in Skopje) started issuing certificates for each of the apartments that were to be built in order to avoid selling the same apartment to several different buyers. The procedure of obtaining possessing lists for

<sup>70</sup> Resource: Construction Company, design, engineering, production, trade and services MASTER-INZENERING DOOEL Uvoz-Izvoz Skopje, ul. Lenina br. 53/8 - Skopje; and Real Estate Agency "Bastion" -1000 Skopje.

<sup>71</sup> <http://www.xe.com/ucc/convert.cgi>, accessed on August 27, 2008.

the property has been changed so that the building has to be completed and certified in the cadastre (previously this could be done at any stage of the building process) before they can be sold.

In the Republic of Macedonia there are a large number of real-estate agencies. Various information regarding opportunities of buying real estate can be found in the magazine "Oglasnik M"<sup>72</sup>.

#### **3.2.4.1 Legal conditions**

Prior to purchasing process and signing of a pre-contract for buying of the real estate the buyer, should, on his own or with assistance of a legal representative, undertake the following steps:

Step 1: to make sure that the real estate is not already mortgaged by obtaining a certificate from the State Office for Geodesy (Cadastre) Affairs in the region where the real estate is situated. This certificate should certify that no mortgage has been recorded in the property registry books and to verify the same in the property list.

Today, the data recorded in the land tax registers throughout the Republic of Macedonia are available for everyone interested in making property verifications. The fee for the verification is 125.00 MKD or around 2 EUR and administrative tax is 50.00 MKD i.e. 0.80 EUR. The fee for the cadastre certificate is 300.00 MKD or about 5 EUR and administrative tax is 50.00 MKD (0.80 EUR).

Step 2: if the buyer purchases an apartment or business premises that is in process of construction and the buyer has already made an advance payment or is making the payment in instalments, the buyer may put a remark in the property list of the seller where the information for the land on which the construction is being done are recorded, indicating that the real estate which is the object of the purchase is an object of a pre-contract for purchasing as a form of warranty for the advance payment or the paid instalments. Also, the buyer can request a bank guarantee or to provide mortgage from the seller for another property, in order to secure the advanced payment or instalments;

Step 3: to conduct verification in the construction documentation of the seller if the buyer is purchasing real estate that is in a phase of construction; some of the municipalities are issuing certificates paper for each of the apartments that are foreseen to be built in one building in order to avoid selling the same apartment to several different buyers i.e. misuse of the apartments sale.

Step 4: the contract for buying real estate has to be concluded in a written form and the same must be certified and stamped by the public notary (solemnization of the contract). The fee for the notary for the solemnization depends mainly on the price rate of the real estate and is being determined by the Public Notary Chamber of Republic of Macedonia. The purchase of real estate includes the sales tax which in accordance with the Law on Property Taxes<sup>73</sup> is from 2- 4% of the market value and a taxpayer is the seller, unless in the contract for purchase it is indicated that the sale tax will be paid the buyer. The

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<sup>72</sup> See more information on: <http://www.oglasnik.com.mk>

<sup>73</sup> Official Gazette of RM No. 61/04 dated 13.10.2004 source: [www.pravo.org.mk](http://www.pravo.org.mk)

taxpayer is obliged to submit a tax form within 15 days period starting from the date of signing of the contract for purchase in front of the Public Revenue Office. There is no possibility for certification at the notary public or inscription in the cadastre or other public registries if the sales taxes have not been paid.

Step 5: the new owner of the real estate, after paying taxes and certification of the contract with the notary public, is registering the real estate with the Cadastre Department at the State Office for Geodesy Affairs, that issues the Property list with the registered right to property with the name of the new owner.

For more information concerning the costs needed for inscription of the real estate please visit: [http://www.katastar.gov.mk/uslugi\\_cenovnik.html](http://www.katastar.gov.mk/uslugi_cenovnik.html).

With the new Law on Real Estate Cadastre<sup>74</sup> many reforms have been initiated in direction of improving of the quality of the cadastre services. The affirmation of the Project “*Electronic Cadastre*” will bring complete informatics solution of inscription of the rights of real estate and monitoring process of the work course through the Internet, which was implemented for the first time in the Centre for Real Estate Cadastre in Skopje by the end of November 2008. This year this system will be functional in the other cadastre departments in Macedonia.

Every person and legal entity, owner of a real estate, is obliged, in accordance with the Law on Property Tax to pay tax. The property tax rates equals from 0,10 % to 0,20 % of the real estates market value.

#### **3.2.4.2 Eventual obstacles for certain groups**

There are no known obstacles or limitations for any groups to obtain the right to property or real estate. However, the most vulnerable groups (unemployed, single parents etc.) have a hard time accessing available credit programmes.

#### **3.2.4.3 Relevant approximate prices**

People are interested in buying real estate in Macedonia but due to the increase in the price of building materials the number of concluded purchasing contracts have been fewer than expected<sup>75</sup>. Some examples of price increases follow: in 2007 one could buy a newly built apartment in the central part of the City of Skopje for 60.000 EUR (60m<sup>2</sup>). Today the same apartment costs around 75.000 EUR. Similar prices can be found in Ohrid which is another attractive town for buying real estate in.

Most real estate agents publish their offers and contacts in the weekly newspaper „Oglasnik M“ which is available for the price of 50,00 MKD (0,80 EUR) in all newspaper shops, or on [www.oglasnik.com.mk](http://www.oglasnik.com.mk).

Prices of apartments by cities/towns:

Skopje (by municipality):

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<sup>74</sup> Official Gazette of Republic of Macedonia No. 40 from 26.03.2008  
source: [www.pravo.org.mk](http://www.pravo.org.mk)

<sup>75</sup> According the data from the State Statistical Office, the average price per 1m<sup>2</sup> in the second half of 2008 was 56.698 Denars, which is 3.5% more than in the first half of 2008 - and 24,7% more than the average price in 2007 (<http://www.stat.gov.mk>)

Center:	1000-1300 EUR/м2 for used apartments 1300-1500EUR/м2 for new and renovated apartments
Aerodrom and Lisice:	900-1200 EUR/м2
Karpos 1 и 2:	1000-1150 EUR/м2
Karpos 3 и 4:	800-1000 EUR/м2
Kozle:	1100-1300 EUR/м2
Topansko Pole, Cair and Sever	
Vlae and Gjorce Petrov:	700-900 EUR/м2
Klsela Voda:	800-950 EUR/м2 for used apartments 1000-1150 EUR/м2 for new and apartments in building process
<u>Ohrid:</u>	
Center:	900-1200 EUR/м2
Kraj Ezero (By the lake):	1500 EUR/м2
Daljan:	600 EUR/м2
<u>Bitola:</u>	600-800 EUR/м2
<u>Tetovo and Gostivar:</u>	600-800 EUR/м2

#### 3.2.4.4 Available credits, subsidies and other forms of help

The state provides an opportunity for renting state owned apartments for social groups with low incomes and without accommodation under the “*Programme on Construction and Maintenance of Apartments owned by the Republic of Macedonia for 2007*”<sup>76</sup>. The criterion for distribution of these apartments is that the average annual income of each member of the family does not exceed 65% of the GDP/per capita, according to the latest published data from the State Statistical Office. Young married couples, with children who are not older than 12 years are eligible under this program to be granted better and more relaxed conditions for purchasing apartments built by the programme implementer (which is the Public Enterprise for Living and Working Space Management, a public institution that also concludes the leasing contracts).

Persons over 18 years of age who have been associated within special institutions for children with no parents, until the period they reached 18 years of age are also eligible to this programme. The request for rental of apartment in all cases can be submitted by a person who is a citizen; has a permanent residence in the municipality where the apartment has been built; and, does not own his own apartment, or apartment owned by his spouse and by other mature members of his family.

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<sup>76</sup> Official Gazette of Republic of Macedonia No. 26/2007 from 05.03.2007 The Government of Macedonia has received a 15 million EUR loan<sup>76</sup> from the Bank for Development (Council of Europe). The loan is for a project that will construct 10,000 flats for low income citizens in the period of 2007-2009. So far, two parts of the loan have been received, 8.8 million EUR in total.

The distribution of apartments will be made through a public announcement by electronic selection (lottery), all in order to assign the apartments to those persons who really deserve them. The distribution of the apartments as well as the terms for their usage (which will be determined with special Decisions of the Government), the public will be informed through the public media. In present circumstances the amount of the rent within the Public Enterprise, according to the Programme, ranges from 24-37 MKD (0,39 - 0,60 EUR)<sup>77</sup> for 1m<sup>2</sup>, which basically depends on the quality of the apartment and other relevant parameters.

The Government also provides opportunities of buying a state owned apartment but only on behalf of the user of that apartment (holder of the housing right), or from his/her inheritor/s<sup>78</sup>. According to the census 2004 conducted by the Public Enterprise for Living and Housing Space Management, the number of apartments owned by the state is 4,876 according to the status of their usage, whereas on the basis of the housing right of the users the number is 2,468 apartments. The average price for m<sup>2</sup> according to which these apartments will be sold is 450 EUR/m<sup>2</sup> in Stip, 495 EUR/m<sup>2</sup> in Bitola and 550 EUR/m<sup>2</sup> in Skopje.

In order to get to know in more detail the terms for applying for apartments under the Public Enterprise scheme up to date information is available at the Ministry of Transport and Communication's two web sites: [www.mtc.gov.mk](http://www.mtc.gov.mk) and [www.uslugi.gov.mk](http://www.uslugi.gov.mk).

Credit intended for purchase of apartments, renovation, upgrading intervention as well as credits for working space is offered by commercial banks<sup>79</sup>. The annual interest rates for these credits range from 7,5 - 9,5 %, when the credits are in EUR and up to 13 % when the credits are in MKD, mainly depending on the amount of the credit, the deadline for payment which can be from 5 up till 30 years as well as if the credit taken is secured with a deposit or a mortgage.

[http://www.stb.com.mk/N\\_KredS.htm](http://www.stb.com.mk/N_KredS.htm),  
<http://www.nlbtc.com.mk/Default.aspx?mid=132&lId=1>,  
<http://www.kb.com.mk/naskredit.asp?id=nk#>

### **3.2.5 Opportunities of renting a house or apartment**

To rent a house or an apartment the landlord and the tenant must conclude a leasing contract that needs to be certified by a notary. In practice, this procedure is not always followed as the landlord is obliged to pay income tax (10%) of the rented amount. The tenant is obliged to pay for electricity, water, heating and to conduct all small repairs as a result of the apartment's regular usage.

#### **3.2.5.1 Eventual obstacles for certain groups**

No formal obstacles or limitations exist for citizens in this respect.

#### **3.2.5.2 Relevant approximate prices**

The rent varies mainly depending on the purpose of the real estate, its location and duration of the rental period. Thus, an apartment in the central part of Skopje is rented for 250 EUR per month for 50m<sup>2</sup>. The rent in the more distant areas is less than in Skopje or

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<sup>77</sup> <http://www.xe.com/ucc/convert.cgi>, last accessed on August 26, 2008.

<sup>78</sup> The Government Commission for Housing Issues is a body responsible for resolving all relevant issues regarding this process.

<sup>79</sup> <http://www.kiselavoda.gov.mk>, [www.opstinar.gov.mk](http://www.opstinar.gov.mk), [www.bitola.gov.mk](http://www.bitola.gov.mk)

the same. In Vodno or Crnice settlements bigger apartments are rented for 900-1400 EUR per month for 90-125m<sup>2</sup>. Out of Skopje, the rent is significantly lower.

### 3.2.5.3 Available subsidies

The Ministry of Labour and Social Policy of Republic of Macedonia recognizes the Right to Housing for the persons with low incomes, who do not have any kind of accommodation<sup>80</sup>. This group include:

- Beneficiaries who receive financial allowance on a permanent basis
- Persons without parents and parents' care, up to 18 years of age i.e. after the termination of the custody, but in all cases the maximal age limit is 26 years of age (for ex., 14 children use apartment in Skopje for which the Ministry provides subventions for the rent)<sup>81</sup>.

The criteria and the manner in which the right to housing is fulfilled are determined by the Municipal Council, the City of Skopje, and the municipalities of the City of Skopje, i.e. the Minister. The funds for implementation of the right to housing are provided from the budget, donations, foundations, grants etc.

Within the Ministry of Labour and Social Policy, there is also a department responsible for issues regarding social protection and social care for refugees, asylum seekers, internally displaced persons, persons returned under readmission agreements and humanitarian support<sup>82</sup>.

The Law on Changes and Amendments of the Law in Social Welfare<sup>83</sup> in Article 7-b provides that "Right to a social welfare has a person requester of a right to asylum, person with recognized refugee status and persons under humanitarian protection, under the conditions and manners determined by law".

## 3.3. Livelihood - basic "survival"

### 3.3.1 Employment<sup>84</sup>

#### 3.3.1.1 Unemployment

Employment in Macedonia has increased in recent years due to the decline in large-scale industry which the country was very dependent<sup>85</sup>.

In April 2009, the total number of unemployed persons was 349,879. Out of these, 79.6% were actively looking for a job. 60% of the unemployed is in the 25-49 age group, 21% in the 15-24 age group, and 17% are in the above 50 age group.

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<sup>80</sup> <http://www.mtsp.gov.mk/>

<sup>81</sup> Housing Strategy of Republic of Macedonia of 17.08.2007, Ministry of Transport and Communications of Republic of Macedonia ([www.mtc.gov.mk](http://www.mtc.gov.mk))

<sup>82</sup> Information requested from this sector is awaited.

<sup>83</sup> Official Gazette of Republic of Macedonia No. 40 from 30.03.2007 source: [www.pravo.org.mk](http://www.pravo.org.mk)

<sup>84</sup> The new Law on Labour Relations is to be published these days, thus respective novelties will be introduced in this document next week.

<sup>85</sup> SAVESKA, S. and BROWN, R. "Unemployment in Republic of Macedonia: Policy Options for Employment Growth", prepared for the 7<sup>th</sup> NISPAcee Annual Conference "Improving Relations between the Administration and the Public", Sofia, Bulgaria, March 25-27, 1999.

Table unemployed persons per education per education (30.04.2009)

Level of education	Number of unemployed - total
Total	349 879
No - qualified (unskilled)	172 440
Semi qualified and no-qualified	12 415
Qualified and highly qualified	56 198
Secondary education	83 827
Higher education	5 657
Faculty diploma	19 114
Master	216
PhD	12

Source: Employment Agency of Republic of Macedonia, April 2009

According to the Employment Service Agency 18.208 unemployed people with Roma nationality are registered, out of which 7.809 are women (April 30, 2009).

Active measures for Roma People in 2007	Total number of citizens covered
Public works	183
Self employment (family business)	37
Subsidies for single parents, disability persons and children without parents	17
Training and qualification	160
Training in the working clubs for obtaining skills and knowledge of foreign languages and computers	66

### 3.3.1.2 Labour market programmes

The country's policy and strategy on employment as well as the planned activities for decreasing unemployment are determined in these documents<sup>86</sup>:

- The Program of the Government of Republic of Macedonia 2006-2010;
- National Strategy on Employment 2010;
- National Action Plan on Employment 2006-2008;
- Government's Operational Plan on Active Employment Policies for 2007 and
- Multi-Annual Operative Program for Human Resources Development 2007-2013, prepared in accordance with Component 4 from the Instrument for Pre-accession Assistance (IPA).

Active programmes/measures for 2008 are the following:

- Self-employment Programme (Measures: Self-employment of unemployed women, registered in the data base of the Employment Agency more than 2 years; self-employment of young unemployed persons up to 27 years of age and self-employment of long-term unemployed persons, registered in the Employment Agency more than 2 years);

<sup>86</sup> Ministry on Labour and Social Policy, "Operational Plan for Active Programmes and Measures on Employment for 2008", January 2008.

- Programme on supporting the formalization of constant businesses (persons who are not registered for conducting business)
- Programme for employment preparations (Measures: training, prequalification and addition qualification for already known employer; training for obtaining knowledge and skills (foreign languages and computers); pilot project for training in certain deficient professions, based on the analysis of the skills needed for the labour market, prepared by the Employment Agency and education/training for starting a new business);
- Subsidizing the Employment (providing financial support) (Measures: subsidizing employment of children without parents; subsidizing employment of disabled persons; subsidizing employment of single parents; Subsidizing employment of elderly persons (from 55 to 64 years of age) and internship practice in support of the first employment of young persons up to 27 years of age.

### 3.3.1.3 Labour conditions

According to State Statistical Office<sup>87</sup>, the average gross wage paid in February 2009 was 29,433.00 MKD/month (net). This equals 474 EUR<sup>88</sup>.

Employment and labour relations are regulated with the Labour Relations Law (Official Gazette of the RM No. 62/05), Collective Agreements and other legal acts. The law regulates the implementation of the rights, obligations and responsibilities of both employees and employers.

Collective agreements define the minimum salary for each profession. Salaries are computed and paid once a month. Social contributions and personal income taxes are withheld by the employer at the time of payment of net salaries to employees. The Personal Income Tax rate is 10%.

General preconditions for employment are: Employment contract can be concluded only by a person who are 15 years of age and in good health. Also, other special criteria stipulated by the employer must be fulfilled.

The full working hours can not exceed 40 or be less than 36 hours/week. The working week generally consists of 5 working days. Annual leave is a minimum 20 days and a maximum of 26 days.

The penalties for the employers which infringe the rights of the employees can be up to 8.000 EUR.

Employees are entitled to salary compensation during leave from work, under the conditions, and in the amount determined by the Labour Relations Law and respective collective labour agreements. This applies to:

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<sup>87</sup> [www.stat.gov.mk](http://www.stat.gov.mk)

<sup>88</sup> <http://www.xe.com/ucc/convert.cgi> as per August 17, 2008.

- Annual leave;
- Sick leave;
- Maternity leave;
- Vocational training arranged by the employer;
- Military drills, defence and protection training and
- Other cases stipulated by the law and the collective agreements.

Social contributions are paid by the employer. The amounts are calculated as a percentage of the employee's gross salary before deducting personal income tax, and are payable out of the amount of the employee's gross salary.

- Contribution for Pension and Disability Insurance Fund - 21.2% (as per 1 January, 2008 the rate will be 19%, in 2010 it will be 16.5%, and in 2011 it will have been reduced to 15%)
- Contribution for Health Insurance Fund - 9.2% (as per 1 January, 2008 the rate will be 7.5% and by 2011 it will have been reduced to 6%)
- Contribution for Employment Fund - 1.6% (in 2011 it will have been reduced to 1%)

Employment can be terminated in the following cases, in accordance with the Labour Relations Law<sup>89</sup>:

- An agreement between the employer and employee;
- Upon the expiry of a fixed-term of employment;
- When enforced by law;
- By notice, supplied either by an employer or employee;
- Due business reasons (e.g. restructuring).

Employing foreign nationals: The Law on establishment of Employment Relations with Foreign Persons regulates the employment of foreign persons in Republic of Macedonia. According to the provisions of this law, foreign persons or persons without nationality can be employed upon obtaining a work permit. The Employment Agency of the Republic of Macedonia issues the work permit upon the employer's request.

#### **3.3.1.4 Accessibility of short term / occasional jobs**

Seasonal Work: An employee who, under an Employment Contract for a definite period of time, performs seasonal work, that is work with unevenly distributed working hours without interruption, for at least three months in a year, thus working for more hours than those defined as full-time work, may request these hours to be calculated as working days with full-time work.

Employment contract for part-time work: An Employment Contract may also be concluded for working hours shorter than the full working hours (part-time working hours). Working hours shorter than the full working hours with the Employer are deemed to be part-time working hours. An employee who has concluded a Part Time Employment Contract has the same contractual and other rights and obligations arising from the labour relation as an employee who works full time and exercises these rights and obligations in proportion to the

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<sup>89</sup> [www.investinmacedonia.com](http://www.investinmacedonia.com)

time for which he/she had concluded an Employment Contract, excluding those otherwise defined by law. The part-time employee shall be entitled to regular annual leave with a minimum duration of ten working days. If it has not been otherwise defined in the Employment Contract, the Employer may not force the employee who works part time to work longer than the defined time, except in the cases defined in Article 119 of the Labour Relations Law.

Employment Contract for Part Time Work with Several Employers: The employee may conclude a part-time employment contracts with several employers and thus accumulate full-time hours.

Internship: The employer can decide to conclude an employment contract with an intern that is performing work for the first time and possess a compatible type and level of vocational education aiming at training for independent performance of the work. An internship may last for a maximum of one year, unless otherwise stipulated by law. It can be proportionally extended by a maximum of six months in cases where the intern works less than full working hours. It can also be reduced at the request of the mentor, though by no more than one third of the originally defined duration. At the end of internship, the intern must take an exam which is integral part of the internship and this exam is to be taken before the expiration of the internship. During the internship the Employer may not terminate the Employment Contract of the intern, except in the event of conducting of procedure for termination of the Employer.

#### **3.3.1.5 Lack of specific professions**

There is a big request for IT engineers and in response to this the Government opened a new Information Technology Faculty in 2008<sup>90</sup>.

#### **3.3.1.6 Practical and contact information**

The Employment Service Agency<sup>91</sup> deals with all questions related to labour exchange, as well as the rights and duties of the employers and unemployed persons, in accordance with the Law on employment and insurance in case of unemployment (Official Gazette of RM No. 37/97).

In the past few years many employment agencies have been established, and mainly respectable foreign and domestic companies are using their services.

The most popular online private employment agencies are:

Vrabotuvanje.com (covers four segments, namely employment, employment exchange, employment leasing and employment education with a database of more than 29.000 unemployed persons). Website: [www.vrabotuvanje.com.mk](http://www.vrabotuvanje.com.mk)

Najdirabota.com.mk (all vacancies from the daily newspapers are available for free on this site). Website: [www.najdirabota.com.mk](http://www.najdirabota.com.mk)

Dekra.com.mk (branch of Dekra Arbeit GmbH from Stuttgart, Germany offers consulting in the area of human resources, temporary employment, matching etc.). Website: <http://www.dekra.com.mk/>

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<sup>90</sup> [www.vlada.mk](http://www.vlada.mk) (Government of Republic of Macedonia website)

<sup>91</sup> Address: "Vasil Gorgov" 43, 1000 Skopje, Tel: (+389 2) 3111 850; E-mail: [info@zvrm.gov.mk](mailto:info@zvrm.gov.mk)

Other registered temporary employment agencies are<sup>92</sup>:

1. "ПАРТНЕР"  
Str. Dimitar Vlahov bb Skopje
2. "ПРОСПЕКТ"  
Str. Karaorman bb Prilep
3. "АКСИОС-ВАРДАР"  
Str. Braka Ginovski No 61 Gostivar
4. "НЕКСТЛЕВЕЛ"  
Str. Marko Krale No.94 Skopje
5. "В"  
Boulevard Goce Delcev No.11 Skopje
6. "ДЕКРА"  
Str. Mitropolit Teodosij Gologanov No. 42 Skopje
7. "ФИА АГЕНЦИЈА"  
Str. Ivan Milutinovic No.23 section 2, Skopje
8. "ХЕМА КОНСАЛТИНГ"  
Str. Zeleznicki Transporten Centar No.1 Skopje
9. "ВРАБОТУВАЊЕ ЛИЗИНГ"  
Boulevard Ilinden No.80 Skopje
10. "ТАНЕКС-М"  
Str. Kosta Novakovic No.4-8 Skopje
11. "ДЕПОВ"  
Str. Ivan Milutinovic No. 22, Kocani
12. "КОНТАКТ БИЗНИС"  
Str. Ognjan Prica No. 41-а, Skopje
13. "МЛАДИНЕЦ"  
Str. Prolet No. 25, Skopje
14. "ЕГЗЕКЈУТИВ СРЧЛИЗИНГ"  
Str. Vasil Gjorgov No. 22/1/1, Skopje
15. "ВИРГИНА-2"  
Str. Boris Kidric No .115, Gostivar

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<sup>92</sup> <http://www.mtsp.gov.mk> (website of the Ministry of Labour and Social Policy)

16. "ЗЕТА"  
Bitola, Trade Center Sheherezada, section A, No.5

17. "РЕАЛНОСТ-06 ПРИЛЕП"  
Str. Dimo Narednikot, No. 53, Prilep

18. "СПИД"  
Str. Njudelhiska No. 4, section 3, Skopje

19. "Џоб"  
Str. "4-ti Juli" No бр.186, Kicevo

20. "Тренквалдер времено вработување Скопје"  
Str. "29-ti Noemvri" No. 62/1-1, Skopje

21. "ММ"  
Str. "Shidksa", No. 18, Skopje

In terms of Newspapers, most of the vacancies are published in daily newspaper on Macedonian language "Dnevnik"<sup>93</sup> and "Koha" on Albanian language<sup>94</sup>.

### 3.3.2 Contact information relevant to the issue of recognition of degrees obtained elsewhere

Ministry of Education and Science<sup>95</sup>  
Dimitrie Cupovski 9, 1000 Skopje  
Tel: +389 2 3117 277  
Fax: +389 2 3118 414  
[www.mon.gov.mk](http://www.mon.gov.mk)  
E-mail: [contact@mon.gov.mk](mailto:contact@mon.gov.mk)

### 3.3.3 Education and retraining programmes

Education is considered important by parents and the general public and subsequently prioritized in the family budget.

Primary education: is compulsory for children between the age of 6 and 15 years. Secondary education in the public high schools is free.

There are 6 private secondary schools in Macedonia:

1. Private secondary school "Jahja Kemal", Bul. "Aleksandar Makedonski" - Skopje
2. Private American Gymnasium "Nova", Ul: "Praska" bb - Skopje . Now changed to: International schools "Nova" - Skopje

<sup>93</sup> [www.dnevnik.com.mk](http://www.dnevnik.com.mk); Email: [dnevnik@dnevnik.com.mk](mailto:dnevnik@dnevnik.com.mk); Tel : (+389 2) 3089 255

<sup>94</sup> [www.koha.com.mk](http://www.koha.com.mk); E-mail: [koha@koha.com.mk](mailto:koha@koha.com.mk); Address: Bul. Goce Dellçev Nr.11/2 (Q.T. Mavrovka) - Skopje

<sup>95</sup> Government of the Republic of Macedonia, Ministry of Education and Science.

3. Private secondary school “American International School of Macedonia”, Ul: “Frederik Sopen “ 10 - Skopje
4. Private secondary music school “Oksia”, Ul: ”Toso Arsov” 14 - Stip
5. Private secondary school “Fifth Private Gymnasium“, Bul. “Jane Sandanski” bb. - Skopje
6. Private secondary school “International High School “, Ul:”Gjuro Gjakovik” 64, Centar - Skopje

There is a division between the primary and secondary school: the primary level is usually taught by a single teacher, while at the secondary stage, subjects are taught by teachers that have specialised in the relevant subjects.

As a result of the process of decentralization taking place primary and secondary schools are now the responsibility of the municipality. Costs for the state primary and secondary schools are covered by the government.

At the beginning of the 2006/2007 school year, there were 1,003 schools. The school year begins in early September and ends in late June. Pupils attend school from Monday to Friday. There are no classes at weekends.

Secondary schools: are divided into Secondary Grammar Schools (*Gymnasiums*), and Secondary Vocational Schools (with a three- or four-year curriculum).

In regular upper-secondary education at the beginning of the 2006 / 2007 school year, 104 schools (from which seven were private schools) provided education for 95,366 enrolled students and 6,247 teachers.

The interest among students is greater for the grammar schools (40.2 per cent) and for the four-year VET schools (50.8 per cent), whereas nine per cent of students enrol at the three-year VET schools.

At the beginning of the school year, two schools were carrying out religious upper-secondary education, Orthodox religious and Islamic religious upper-secondary education with 271 male students. The education is carried out by 33 male teachers.

In special primary and lower-secondary education (for children with disabilities), at the beginning of the school year, 45 schools provided education for 978 enrolled students.

In the special upper-secondary education (for children with disabilities), at the beginning of the 2006 / 2007 school year, four schools provided education to 329 students<sup>96</sup>.

Higher education: According to the Higher Education Law, tertiary educational institutions are: universities, faculties and colleges. The studies for a Bachelor's degree usually last four years, whereas the Master's takes an additional two years. Doctoral studies run according to an individual study scheme under a tutor's guidance. Programmes for Bachelor's, Master's or Doctoral studies may be full- or part-time (depending on the subject area). Institutions of higher education are legal entities. A faculty cannot be an autonomous legal entity, but is part of an institution of higher education.

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<sup>96</sup> <http://www.britishcouncil.org/eumd-information-background-macedonia.htm>

There are 5 state higher education institutions (universities) registered in the Register on Higher Education Institutions in the Republic of Macedonia within the Ministry of Education and Science:

1. The University “St. Cyril and Methody”, Skopje - with 23 faculties.
2. The University “St. Kliment Ohridski”, Bitola - with 11 faculties.
3. Tetovo State University, with 11 faculties.
4. The University “Goce Delcev”, Stip - with 13 faculties.
5. University of Information Technology, Skopje - with 9 faculties.

Also, the following are the Private Higher education institutions:

1. With approval for commencing work

- South Eastern European University, Tetovo - with 10 faculties;
- First Private European University “Republic of Macedonia”, Skopje - with 5 faculties;
- First Private University - FON, Skopje - with 8 faculties;
- New York University, Skopje - with 5 faculties;
- University “American College” Skopje - with 6 faculties;
- University for Audio Visual Arts - European Film Academy ECPA Paris-Skopje-New York in Skopje - with 5 faculties;
- Private Higher Education Institution: Faculty of Business and Economics, Skopje;
- Private Higher Education Institution: Faculty of Tourism;
- Private High Vocational School: Akademija Italijana, Skopje;
- New Balkan Faculty for Technology in Skopje;
- New Balkan Faculty in Skopje;
- MIT (Alexander the Macedonian, Skopje) - with 2 faculties;
- High Professional Institution for Business Studies Euro College, Kumanovo;
- Higher Vocational School “Business Academy Smileski - BAS”, Skopje;
- Euro College, Struga, with 3 faculties;
- Higher School for Journalism and Public Relations;

2. Accredited

- Private Faculty “Business School Skopje”, Krusevo;
- First Private University FON Skopje Faculty of Design and Multimedia;
- International Balkan University, Skopje;
- University of Tourism and Management, Skopje;
- MIT (Alexander the Macedonian, Skopje);

Students are required to pass an entrance examination to obtain access to higher education. In the academic year 2006/2007, 63,224 students enrolled. Although the number of students who enter university education is increasing, the number of graduates is still very low. Most students take longer than the prescribed time to complete their degree.

The main source of funding for higher education is the government, with a small portion of revenues coming from tuition fees. There are a number of tuition fee options: for full-time students within the state quota, for full-time students outside this quota (approximately 1:1), and for part-time students. Tuition fees vary from faculty to faculty.

To support the Bologna process reforms and respond to national needs (including those required under the Ohrid Framework Agreement), higher education legislation was updated in 2003, and a law making changes and amendments to the law on higher education was adopted. The changes included an updated procedure for the recognition of degrees and competencies, and clarification of roles and responsibilities in evaluation and accreditation bodies. The new legislation also addressed the issues of higher education funding, the establishment of a higher education and financing council, the recruitment of young teachers and researchers, and the possible introduction of funding for study programmes in the languages of ethnic communities representing over 20% of the total population of the country<sup>97</sup>.

There is a well-developed system of education for adults where they may complete their education and acquire special skills. Various institutions also organize a large number of courses, ranging from information science and computer science to the study of foreign languages. Special educational courses have also been organized in the fields of management and business. The Workers University (*Rabutniski Univerzitet*) offers a wide variety of courses for additional education. It does not award degrees but offers special courses leading to various certifications or qualifications.

New modes of distance learning are continuously being developed. Some examples of the kinds of distance learning available through the Internet include: UTOS, which is a web-based distance education system for learning, testing, and assessment in Macedonian; MATEIS—Mathematical Electronic Interactive System, which is an education system for learning mathematics and informatics; and International Education and Resource Network, which enables students and teachers worldwide to conduct collaborative projects in Macedonian and English.

#### Student dormitories

Accommodation and food for students are provided in six dormitories, as well as in part of the accommodation facilities of the pupils' dormitories. A total of 5.500 students are accommodated in these facilities.

The accommodation of students in student dormitories is organized in accordance with the Rulebook and the work program of the dormitories.

The amount that the Ministry of Education and Science pays for food and accommodation on monthly basis per student equals to around 3.000,00 MKD (around 50.36 EUR)<sup>98</sup>, for a period of ten months per year.

The system for awarding student scholarships and credits includes (prices are given in MKD, 1 EUR = 61.1903 MKD)<sup>99</sup>:

Talented students with monthly scholarship amounting to 3.300,00 MKD, during the nine months of the school year;

- Student credits, in a monthly amount of 2.200,00 MKD, nine months per year;

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<sup>97</sup> <http://ec.europa.eu/education/programmes/tempus/countries/impact/macedonia.pdf>

<sup>98</sup> <http://www.xe.com/ucc/convert.cgi> (last visited August 18, 2008)

<sup>99</sup> <http://www.xe.com/ucc/convert.cgi> (last visited August 26, 2008)

- Scholarships, for students that study at universities abroad, and have fulfilled the requirements for using scholarship in the previous years, for vocations and branches that are not offered at our universities, amounting to 4.500,00 MKD nine months per year;
- 120 government scholarship holders are included in the process of providing accommodation and scholarship with an amount of 3.000,00 MKD nine months per year (as scholarship) and another 3.000,00 MKD ten months per year (as food and accommodation allowance);
- In accordance with the Law on Special Rights of the Members of the Armed Forces of Macedonia<sup>100</sup> the system also includes students - children of deceased defenders, who receive scholarship amounting to 3.300,00 MKD, for a period of nine months per year.

#### **3.3.3.1 By Government**

The “National Programme for Development of the Education 2005-2015” was adopted by the Parliament in 2006. The programme is focusing on raising the education standards in all aspects of education and, inter alia, in support for private education initiatives, completion of education legislation, increasing international co-operation and mobility for teaching staff and students, and on completion of the introduction of the ECT. The UK is well-placed to be a partner of choice in many areas, such as the Quality Assurance in Higher Education, State Education inspectorate, ICT in schools and education management (school and university).

The Law on Expert Education and Training<sup>101</sup> determines the organization, structure and managing of the system of expert education and training. The intention is to improve the capability for working i.e. continuation of the education. Therefore, the establishment of relevant authority bodies for this purpose is foreseen.

In addition, in 2008 the Law on Adult Education<sup>102</sup> was enacted whereby the organization, structure, financing and managing of the adults’ education system was determined.

#### **3.3.3.2 By private firms**

The Macedonian Constitution does not allow private elementary schools to be opened.

According to Law on Secondary Education (Official Gazette of Republic of Macedonia No.52/02), the secondary education apart of public schools can be conducted in private schools as well. The program can be performed in foreign languages as well. According to Law on Higher Education (Official Gazette of Republic of Macedonia No. 35/08) private high education utilities can be formed.

#### **3.3.3.3 By international organizations or NGOs**

The most significant support to higher education reforms and to higher education capacity building for support to the socio-economic transformations in the country is provided by the European Community Programme - Tempus. The programme supports intensive cooperation among higher education institutions from the Republic of Macedonia, the EU Member States, the candidate countries and the Western Balkan countries. The Tempus Programme in

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<sup>100</sup> Official Gazette of the Republic of Macedonia No. 02/02; 17/03

<sup>101</sup> Official Gazette of the Republic of Macedonia No. 71/06

<sup>102</sup> Official Gazette of Republic of Macedonia No. 7/08

Macedonia has existed for many years with the National Tempus Office established within Ministry of Education and Science.

The European Agency for Reconstruction (EAR) has managed three phases of the Project “Establishment and Management of the Human Resources Development Fund”.

The United States Agency for International Development (USAID)<sup>103</sup> continuously runs educational projects in Macedonia under the Macedonia Education Office. Currently, there are five projects being implemented:

- Primary Education Project (PEP)
- Secondary Education Activity (SEA)
- Creative Teaching and Learning Project (CTL)
- Roma Education Project (REP)
- E-Schools

One of the main NGOs that work on educational issues is the Association for Democratic Initiatives (ADI). Under their Education and Youth Program they carry out activities involving translating, publishing and disseminating micro-studies and educational materials, which help to keep citizens informed of major economic, social and political developments. Furthermore, with respect to the promotion of inter-ethnic cooperation and intercultural learning ADI has initiated several projects that promote the similarities between the various ethnic groups in Macedonia (Macedonian, Albanian, Roma, Serb, Turkish, and Vlach populations) in order to combat the perceived differences that divide the communities and illustrate common cultural traditions and history shared by those residing in Macedonia<sup>104</sup>.

A second NGO operating in the field of education is the “Foundation Open Society Institute - Macedonia” (FOSIM)<sup>105</sup>, which is part of Soros Foundations Network in Central and Eastern Europe.

#### **3.3.4 Starting a new business**

The Ministry of Economy<sup>106</sup> is responsible for creating the investment policy in the country aiming to eliminate the administrative barriers, improve business environment and increase the inflow of foreign investments. One of the main activities is preparation of the Program for Stimulating Investments as a 3-year strategy and its realization and implementation through the measures set forth in the Programs’ Action Plan.

Also, another programme is essential in this area, namely Public Investment Programme 2009-2011. It was prepared in accordance with the Work Plan of the Government of the Republic of Macedonia. The program addresses the investment projects in public infrastructure, as well as the sectoral development policies. It is foreseen that as of 2009 public investments would gradually grow to around 7% of GDP, which is the average in the new EU member states.

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<sup>103</sup> [www.macedonia.usaid.gov](http://www.macedonia.usaid.gov)

<sup>104</sup> <http://www.adi-macedonia.org/edu.htm>

<sup>105</sup> [www.soros.org.mk](http://www.soros.org.mk)

<sup>106</sup> [www.economy.gov.mk](http://www.economy.gov.mk)

The Public Investment Program consists of 90 ongoing investment projects with a total estimated cost of €2,492.04 million. Most of the projects are in the following sectors: energy, transportation, water economy, communal services, environment, education and science, health, etc.

The Government has established the Agency for Foreign Investments<sup>107</sup> ('Invest Macedonia') as a primary government institution supporting foreign investment in the Republic of Macedonia and the Agency on Supporting the Entrepreneurship in Republic of Macedonia for the needs of the entrepreneurs and support of their business. The Agency for Promotion of Entrepreneurship of the Republic of Macedonia ([www.apprm.gov.mk](http://www.apprm.gov.mk)) is the major player on the national level for the implementation and coordination of national and international support to the small businesses. The Agency works in cooperation with various foundations, development centres, centres for technology transfer, Euro Info centres, as well as private consultants.

The designated authority for registering and starting a business in Republic of Macedonia is the Central Register<sup>108</sup>. Within this authority, the one-stop-shop-system was introduced that enables the business to be registered within 4 hours. It means that the investor can register a company by visiting one office, obtaining information from a single place and addressing just one employee. Within the Central Register, Technical Bureau's are established wherein the documentation needed for registering a company is prepared thus decreasing the costs and duration on one hand, and on the other hand, the investors will have more time to realize their ideas and business plans. This significantly reduces administrative barriers and start-up costs. The one-stop-shop system operates within the Central Register via 32 electronically integrated offices located throughout the country. Within development of e-government services, company registration will be available soon.

In addition to the registration of all business activities as stipulated by the Company Law, some business activities must obtain additional working licenses or permits before starting their operations.

Macedonia has commenced the reforms in the tax regime by introducing a flat tax rate. It now has one of the most attractive tax packages in Europe with rates of Corporate Income Tax and Personal Income Tax at 10%, Value Added Tax general rate as a 18% and preferential 5%, Property Tax rate 0.1% - 0.2%, Inheritance and Gift Tax 2-3% or 4-5%, and Sales Tax on Real Estate and Rights 2-4%. Also, the reinvested profit is fully exempt from taxation.

Recently a new rule has been introduced i.e. "not responding actually means confirmation", which is expected to be a powerful instrument to force the public administration to respond to the requests submitted by the citizens and businessmen within the prescribed deadlines; otherwise it would be deemed that the answer is positive.

Price liberalization in Macedonia has been essentially completed. Price controls only exist for a few products. Prices in the energy sector (oil derivatives, electricity) are controlled by independent regulatory bodies. The Macedonian Law on Competition ensures that the task of the right of competition is to prevent certain practices and business activities on the

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<sup>107</sup> [www.investinmacedonia.com](http://www.investinmacedonia.com)

<sup>108</sup> [www.crm.gov.mk](http://www.crm.gov.mk)

market, which certain undertakings will use to achieve an unjustified advantage compared to other undertakings, and to jeopardize the free competition among undertakings.

The Central Securities Depository (CSD) records the existence of an ownership of shares and associated transactions. The CSD has greatly improved the efficiency of the capital markets and the rights of minority shareholders in companies. All joint stock companies have transferred their shareholding books to the CSD.

#### **3.3.4.1. Legal conditions (registration, corporate forms, minimum capital, etc.)**

As of January 1, 2006 the maintenance of the trade register and the registers of other legal entities is under the competence of the Central Register of Republic of Macedonia. The application for registering, changing and deleting a company can be submitted in 10 regional offices of the Central Register. Namely those of Skopje, Bitola, Stip, Tetovo, Kumanovo, Veles, Prilep, Ohrid, Strumica, and Kocani<sup>109</sup>. As of October 1, 2008, the Central Register also runs the Direct Investment Register of Non-residents in Republic of Macedonia.

##### Forming of companies

The Law on Trading Companies (Official Gazette no.28/2004, 84/2005, 25/2007) regulates the establishment and organization of a company. The Law defines the company as a legal entity carrying out profitable operations, formed by the founder(s). Businesses which can be established by foreign entities are as follows:

- Limited Liability Company and Single Person Limited Liability Company
- Joint Stock Company

In addition, foreign companies can open branches in Macedonia, as well as Representative Offices to carry out non-income generating activities and craftsmanship.

A branch Office is not a legal entity, but it works on behalf of its parent company and all responsibility is borne by the parent company. On the other hand, a Representative office can be opened by a foreign company to carry out non-income generating activities, such as advertising or market research on behalf of the parent company.

##### Registration

The procedure for registration in the trade register is initiated through submission of a written application that encompasses the request for registration using the official template, submitted by an authorized applicant. The application shall be submitted to the Central Register. The application for registration of a trading company is submitted by the managing body i.e. an authorized member of that body, unless otherwise prescribed by the Law on Trading Companies.

##### **STANDARDIZED COMPANY**

*Legal Form:* Limited Liability Company

*City:* Skopje

##### Registration Requirements:

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<sup>109</sup> Law on One-stop-shop System and the Administration of the Trade Register and the Register of Other Legal Entities (Official Gazette of the Republic of Macedonia 84/06)

No:	Procedure	Time to complete:	Cost to complete:
1	<u>Reserve the company name</u>	1 day	no charge
2	<u>Notarize the company deeds and other documents</u>	1 day (1 hour)	MKD 2,000 (200 denars per document)
3	<u>Registration with the Central Registry</u>	2 days	MKD 2552
4	<u>Make a company seal</u>	1 day	MKD 400-2,400
5	<u>Notarize the company registration certificate</u>	1 day	see comments
6	<u>Inform the employment office for hiring employees</u>	2 days	no charge
7	<u>Register with the Social Security Office</u>	1 day	MKD 100

#### Procedure 1

Reserve the company name

Time to complete:

1 day

Cost to complete:

No charge

Comment:

As of April, 2008, the Central Registry web-site offers an online name search option which allows name reservation.

#### Procedure 2

Notarize the company deeds and other documents

Time to complete:

1 day (1hour)

Cost to complete:

MKD 2,000 (200 denars per document)

Comment:

To register a limited liability company (LLC), a founder must notarize the following documents:

- Statement of the LLC manager agreeing to assume management responsibilities.
- Signature specimen for the LLC manager.
- Statement of the LLC founders that in the past year no founder was a shareholder in any other company that went into bankruptcy or liquidation.
- Foundation agreement.
- Statement of the LLC founders and the LLC management and supervisory authority that all necessary registration activities are undertaken according to the Law on Trade Companies and a confirmation that the LLC was created according to the Law on Trade Companies.

The notarization fee is MKD 200 per document with signature. The founders must pay for their copy and at least one more copy, which is filed with the notary.

#### Procedure 3

Registration with the Central Registry

Time to complete:

2 days

Cost to complete:

MKD 2552

Comment:

Company founders can prepare registration documents themselves. A one-stop shop system was implemented on January 1, 2006. The Central Register of Republic of Macedonia is the single institution for registering LLCs and other forms of trade companies, foreign representative offices, and other entities. This registration process includes registering the company with the Trade Register, providing the LLC statistic number, opening the LLC bank account, registering the company in the Public Revenue Office-Tax Office, and publishing the LLC formation notice on the Central Register's Web site ([www.crm.com.mk](http://www.crm.com.mk)).

Procedure 4

Make a company seal

Time to complete:

1 day

Cost to complete:

MKD 400-2,400

Comment:

The fee to make a company seal may vary from MKD 400 to MKD 2,400, depending on the type and quality of the seal's material. The company certificate of registration is required to process a request.

Procedure 5

Notarize the company registration certificate

Time to complete:

1 day

Cost to complete:

see comments

Comment:

The per-page fee to notarize the registration certificate is MKD 50 plus MKD 100 on the total amount for notary service and signature.

Procedure 6

Inform the employment office for hiring employees

Time to complete:

2 days

Cost to complete:

no charge

Comment:

The Employment Office requires the submission of the appropriate forms in addition to the employment contract and forms for notification of the social security fund.

Procedure 7

Register with the Social Security Office

Time to complete:

1 day

Cost to complete:

MKD 100

Comment:

To register LLC employees with the Social Security Office, management must complete and file the appropriate forms<sup>110</sup>.

#### Procedures and documents for operating

##### Registered Company Location

The company has to report its location to the Commercial Register. The selected office space has to be registered as office space. The company may change its registered office in accordance with the procedure set forth in the Company Charter, and the change has to be reported in the Commercial Register.

##### Value Added Tax (VAT)

All legal entities which trade goods and services subject to VAT and whose value exceeds 1,300,000 MKD in the calendar year are required to register for VAT payment. If the legal entity exceeds the threshold in the preceding calendar year, it is obliged to report it by no later than January 15 of the ongoing year. If the legal entity initiates a business during the current calendar year, and if the expected sales exceed the amount of MKD 1,300,000, it is obliged to register within 8 days of the moment of starting the business. Registration is possible on a voluntary basis, without exceeding the above-mentioned threshold.

##### *Documents to be submitted:*

1. Copy of the Registration Resolution from the Central Registry
2. Request, using the form developed by the Public Revenue Office

##### Bank Account

The company registration process identifies the bank that the newly established company will conduct its business with. However, the bank account will not be active until the company signs a contract with the bank. The company goes to the bank to sign already prepared contract.

##### *Documents to be submitted:*

1. Copy of the resolution for registration from the Central Registry:
2. Resolution from the Ministry of Economy for entry of a foreign investments.

##### Changes

One change costs 751,00 MKD, for every additional one plus 200,00 MKD (i.e. change of a Manager, change of the address, change of the statute etc.)

##### Closing a business

Deleting a firm from the register costs 450, 00 MKD.

#### **3.3.4.2. Credits and subsidies and access to them**

The Macedonian Government places high priority on the development of Small and Medium Enterprises (SMEs), focusing on measures and activities to support the development and to enhance the competitiveness of SMEs, and more generally to improve the business environment. Nearly 99% of all companies are registered as small enterprises, employing nearly 55% of the employees in the private sector. Most of the businesses are registered in

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<sup>110</sup> <http://www.doingbusiness.org/ExploreTopics/StartingBusiness>

the wholesale and retail trade sector (48.7%), the manufacturing sector has 16.4%, and the transportation, storage and communications sector 10.1%. The largest employer is the manufacturing sector with 35.6% of the total number of employees in the private sector<sup>111</sup>.

The Strategic Framework for Support of SME Development is defined by the following documents: the Small Business Development Strategy, program on measures and activities for the promotion of entrepreneurship and creation of competitiveness of the SMEs in the Republic of Macedonia, the European Charter for Small Enterprises, the Law on Realization of Handicraft Activities, and the Law on the Agency for Promotion of Entrepreneurship of the Republic of Macedonia (APERM).

In order to achieve a higher degree of coordination among the relevant actors, the National Council for Competitiveness and Entrepreneurship was established as an advisory body to the Government, linking the private and the public sector with the purpose of improving the climate for development of entrepreneurship.

The Agency for Promotion of Entrepreneurship of the Republic of Macedonia<sup>112</sup> is the major player on the national scene in the implementation and coordination of national and international support to the small businesses. The Agency works in cooperation with various foundations, development centres, centres for technology transfer, Euro Info centres, as well as private consultants.

The interest rates for credits obtainable by major commercial banks in Macedonia obtainable for the enterprises are as follows:

Komercijalna banka AD Skopje<sup>113</sup> - Denar loans with Foreign Currency clause; the interest rate is between 7% and 14% per annum and is linked to the creditworthiness of the company, its regular servicing of the liabilities towards the Bank, and the type and quality of the collateral offered. The purpose of the loans may be for purchase of fixed assets and/or working material. The company/applicant should provide appropriate collateral - mortgage on real estate, pledge, bank guarantee, etc. For loans secured by cash, deposited with the bank, the interest rate is 3.0%.

Stopanska banka AD Skopje<sup>114</sup> - MKD Loans to legal entities (face interest rates are from 17, 90% for up to 5,000 EUR till 9,25% for over 1 million EUR. The interest rates on loans to legal entities exceeding EUR 75,000.00 are 12%.

Tutunska banka AD Skopje<sup>115</sup> - the bank offers short term loans (up to 1 year payback, the credit amount depends of the creditworthiness of the legal entity, the interest rate is 7% - 11% depending of the classification in the respective risk category group) and long term loans intended for investments (the credit amount depends of the creditworthiness of the legal entity, the credit amount depends of the creditworthiness of the legal entity, the interest rate is 7% - 8,5% depending of the classification in the respective risk category group, up to 5 years payback, grace period included).

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<sup>111</sup> [www.investinmacedonia.com](http://www.investinmacedonia.com)

<sup>112</sup> [www.apprm.gov.mk](http://www.apprm.gov.mk)

<sup>113</sup> [www.kb.com.mk](http://www.kb.com.mk) (last accessed on August 11, 2008)

<sup>114</sup> [www.stb.com.mk](http://www.stb.com.mk) (last accessed on August 11, 2008)

<sup>115</sup> [www.tb.com.mk](http://www.tb.com.mk) (last accessed on August 11, 2008)

UNI Banka AD Skopje<sup>116</sup> - the bank grants various loans and maximum loan is dependant on the client's requirements and type of business, as well as the kind and values of the security offered. The interest rates are usually dependent on the type of the business, credit applicant's solvency and security offered, but usually they are between 6,5 - 16% per annum. In case of loans granted in foreign currency, the interest rates can be variable. The bank may accept any type of security following agreed conditions, evidenced by property and evaluation documents, covering the granted loan value but not less than 125% of the loan amount.

Invest Banka AD Skopje<sup>117</sup> - Short term loans in domestic currency (Aimed at successful companies reaching profit as well as good ideas that are assessed by the Bank as profitable; Purpose - working assets for current operation as well as payments of short term liabilities; Repayment term is up to 1 year; Interest rate from 2% to 16,9% depending on the solvency, creditworthiness, collateral (guarantees of the top ranked banks, mortgage on real estate, pledge on movable assets, deposits) etc.; Long term loans in domestic currency (intended for investment projects, equipment supplement, raw material, intermediate goods and working assets; the loan amount depends on the borrower creditworthiness and collateral; Repayment term is up to 5 years grace period up to 1 year included; the Interest rate from 2% to 16,9% depending on the solvency, creditworthiness etc.

ProCredit Bank AD Skopje<sup>118</sup> - the interest rates for loans in domestic currency is from 18% to 24% pending the type of the credit applied for.

#### Activities of Macedonian Bank for Development Promotion (MBDP)

Pursuant to the Law on Establishing of MBDP<sup>119</sup>, the Credit Policy, Export Promotion Policy and other business acts, MBDP performs the following activities:

1. Financing of production intended for export by credits approved for export inflows (Export Credits)
2. Financing of business start-ups and development of SME, by providing medium-term and long-term credits. (Investment Credits)
3. Insurance and reinsurance of identified inflows against short-term commercial risk (Export Insurance)
4. Management and administration of foreign credit lines and donations (Investment Credits).

MBDP Credit Facilities for medium term and long term investment are intended for the financing of:

- Industries determined as priorities with the macroeconomic policy of the Republic of Macedonia
- Projects that provide larger number of new jobs

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<sup>116</sup> [www.unibank.com.mk](http://www.unibank.com.mk) (last accessed on August 11, 2008)

<sup>117</sup> [www.investbanka.com.mk](http://www.investbanka.com.mk) (last accessed on August 11, 2008)

<sup>118</sup> [www.procreditbank.com.mk](http://www.procreditbank.com.mk) (last accessed on August 11, 2008)

<sup>119</sup> Official Gazette of Republic of Macedonia No 24/98, and law amendments No 06/2000 and No109/2005

- Projects that provide higher technological development and introduction of new technologies
- Projects that include procurement of domestic equipment
- Projects that provide higher net foreign exchange income
- Projects that include larger utilization of domestic inputs
- Projects that comply with the Environment Protection Regulation.

MBDP implements its credit programmes through commercial banks in the Republic of Macedonia, with which it has concluded frame agreements for participating in the implementation of the credit lines referred to (Export Credits, Investment Credits) Borrowers submit their applications together with the supporting documents at the following banks:

- Komercijalna Banka ad Skopje ([www.kb.com.mk](http://www.kb.com.mk))
- Stopanska Banka ad Skopje ([www.stb.com.mk](http://www.stb.com.mk))
- UNI Banka ad Skopje ([www.unibank.com.mk](http://www.unibank.com.mk))
- Eurostandard Banka ad Skopje ([www.eurostandard.com.mk](http://www.eurostandard.com.mk))
- Tutnska Banka ad Skopje ([www.tb.com.mk](http://www.tb.com.mk))
- Investbanka ad Skopje ([www.investbanka.com.mk](http://www.investbanka.com.mk))
- Izvozna i Kreditna Banka ad Skopje ([www.ikbanka.com.mk](http://www.ikbanka.com.mk))
- TTK Banka ad Skopje ([www.ttk.com.mk](http://www.ttk.com.mk))
- ProCredit Banka ad Skopje ([www.procreditbank.com.mk](http://www.procreditbank.com.mk))
- Ohridska Banka ad Ohrid ([www.ob.com.mk](http://www.ob.com.mk))
- KIB ad Kumanovo ([www.kib.com.mk](http://www.kib.com.mk))
- Stopanska Banka ad Bitola ([www.stbbt.com.mk](http://www.stbbt.com.mk))
- Saving House Moznosti LLC Skopje ([www.moznosti.com.mk](http://www.moznosti.com.mk)).

### 3.3.5 Social Security

Embedded in the Macedonian Constitution is the right to social security and social insurance, in accordance with the principle of social justice<sup>120</sup>.

The beneficiaries of social protection are, according to the Social Protection Law (Official Gazette of Republic of Macedonia No. 21/2006), the citizens of the Republic of Macedonia who have permanent residence in Macedonia and foreigners who possess license for permanent residence in Macedonia. Macedonia has concluded and ratified Agreements on Social Security with 16 European countries<sup>121</sup>.

The World Bank financed Social Protection Implementation Project for Macedonia has increased the effectiveness and efficiency of the social protection system. This has been accomplished by better administration of the pension system through improved targeting and administration of cash benefits<sup>122</sup>.

There is a certain procedure that every citizen can initiate in order to protect his/her social rights. The main actors in this procedure are the Centre for Social Welfare/work deciding in the first instance and the Minister on Labour and Social Policy who decides in the second

<sup>120</sup> Constitution of the Republic of Macedonia, [www.sobranie.mk](http://www.sobranie.mk)

<sup>121</sup> [http://www.mtsp.gov.mk/WBStorage/Files/dogovori\\_socijalno.pdf](http://www.mtsp.gov.mk/WBStorage/Files/dogovori_socijalno.pdf)

<sup>122</sup> <http://web.worldbank.org/external/projects>

instance. Finally, the unsatisfied citizen can initiate an administrative dispute before the Administrative Court.

An employee's social security contributions are paid by his/her employer. The amounts are calculated as a percentage of the employee's gross salary before deducting personal income tax, and are payable out of the amount of the employee's gross salary.

- Contribution for Pension and Disability Insurance Fund - 21.2% (as of 1 January, 2008 the rate is - 19%. In 2010 it will be 16.5% and in 2011 - 15%);
- Contribution for Health Insurance Fund - 9.2% (as of 1 January, 2008 the rate is 7.5% and it will gradually be decreased to 6% by 2011), and
- Contribution for Employment Fund - 1.6% (till 2011 it will be decreased to 1%)

As for the returnees, the programs for reintegration in economic terms have been rather weak, if at all. UNHCR has been approached by a small number of former asylum seekers that had returned to Macedonia (predominantly in 2005) and who have asked for assistance to go back to the country from where they have been deported. They have complained of the lack of housing<sup>123</sup> and access to schools for their children born abroad who have poor knowledge of the languages spoken in Macedonia.

#### **3.3.5.1 Unemployment benefit and access to it**

The official unemployment figure in Macedonia as of April 30, 2009 is 349,879 unemployed persons. Out of them 71,965 (20,9%) have claimed that they registered in the Employment Service Agency only to fulfil the right to a health insurance, and 278,644 (79,6%), are actively looking for a job.

The Employment Service Agency of the Republic of Macedonia (ESARM<sup>124</sup>) provides the following services for unemployed persons:

- Registering the unemployed person in the registry (data base) of unemployed persons in Macedonia. Documentation needed: ID card, Employment record book, Diploma on education obtained; Attestation on the citizenship; Attestation on the financial situation of the family; there aren't special requirements needed to be fulfilled by the returnees in order to utilize the benefits.
- Obligation for regular visit/info by the unemployed person - on every 30 days for the persons who are beneficiaries of financial reimbursement and right to a health protection; on every 60 days for the persons who are beneficiaries of health protection and on every 4 months for the persons who are not beneficiaries of financial reimbursement or health protection).

An unemployed person who is not fulfilling the obligations and requirements will be removed from the registry (database) and he/she could only apply again after 1 year.

- Right to health protection (the unemployed person has a right to health protection while he/she receives financial reimbursement and if he/she does

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<sup>123</sup> Interview with Mr Tiho Nikolovski, Protection Assistant; Skopje, July 15, 2008.

<sup>124</sup> [www.zvrm.gov.mk](http://www.zvrm.gov.mk)

not have any other insurance base). The documentation needed varies depending of the financial, family and educational conditions.

- Right to a severance payment. An unemployed person who was employed for a minimum of 9 months continuously, or 12 months with discontinuity within the last 18 months, before ending the labour relation/employment, has a right to financial reimbursement.

a) The financial reimbursement is paid to the unemployed person for period of 1 month if the person has labour history record at least 9 months continuously or 12 months with discontinuance in the last 18 months. The period increases progressively depending of the time of the employment insurance. In addition, the unemployed person with 57 years of age for a woman and 59 years of age for man and over 15 years of employment insurance receives a financial reimbursement till the new employment i.e. till fulfilling one of the bases for termination of the right to a financial reimbursement.

b) The extent of the financial reimbursement is determined on the basis of the calculated and paid salaries by the employer, for the last 24 months in accordance with the law and collective agreements and it is: 50% of the average salary of the worker for persons who has a right to a financial reimbursement up to 12 months, and 40% of the average salary of worker for person who has a right to a financial reimbursement longer than 12 months. The financial reimbursement can not be more than 80% of the average salary per worker in Republic of Macedonia published for the last month.

c) The request for financial reimbursement is submitted to the Employment Service Centre in the place of residence of the unemployed person. It is submitted within 30 days from the day of the termination of the labour relation.

d) Who cannot achieve the right to a severance payment? The unemployed persons whose labour relation ceased because of:

e)

- giving written statement on termination of the labour relation (except if that statement is given due to the changing of the place of living of the marital partner or marriage);
- termination of the labour relation with settlement;
- the person enjoys right from the labour relation against the law;
- termination of the labour relation by force of law (not in case of bankruptcy);
- dismissal by the employer because of infringement of working discipline;
- refusing to work on the job on which he/she is put in compliance with law;
- refusing to be overtaken by another employer with settlement;
- refusing training and additional education and qualification improvement;
- fulfilling retirement conditions.

An unemployed person can not obtain right to a financial reimbursement if he/she is a founder of a trade company or other legal entity, performs craftwork, or other professional activities.

The financial reimbursement (maternity benefit) shall be continued after the foreseen period to the woman for the period of pregnancy and delivery, and if the Employment Service Agency sends the unemployed person to a training and additional education and qualification till the end of the foreseen period.

Pension and disability insurance: User of financial reimbursement who is lacking up to 5 years of fulfilling the retirement pension conditions, and who do not have 15 years of recorded labour, has a right to a pension and disability insurance in accordance with the rules on pension and disability insurance till achieving 15 years of labour history record.

An unemployed person obtains a right to a retirement pension when he/she reaches 64 years of age (man) i.e. 62 years of age (woman) and at least 15 years of employment insurance record.

Also, one of the rights to insurance in case of unemployment is the right to employment preparation i.e. training etc and unemployed persons can have access to the Professional Orientation Program conducted by the Employment Service Agency.

#### **3.3.5.2 Sickness benefits and access to them**

In case of an employee's inability to work due to illness or injury, the employer is entitled to pay salary remuneration up to 21 days. After 21 days the reimbursement is paid by the health insurance. If the employee is sick again within the first three days of the expiry of the previous sick leave, the employer is entitled to request from the first-instance medical committee confirmation of the new sick leave, or an extension of the expired previous sick leave ( as per the rules set out in Labour Relations Law.

In case of the annual holiday, if it was not utilized in the calendar year because of the sickness or injury, maternity leave or taking care of child or disabled person, the employee has a right to use it till 30 June the next calendar year, provided s/he has worked at least six months during the calendar year.

#### Right to a permanent financial aid

This type of aid can be obtained by socially unprotected persons<sup>125</sup> who are unable to work and provide funds for self maintenance. The permanent financial aid is determined from the average monthly net salary per worker in Republic of Macedonia realized in the preceding year:

- Basic financial aid (single person) 20%;
- Owner of the right together with another co-owner of the right - 28% and
- Owner of the right together with two or more co-owners of the right - 40%.
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<sup>125</sup> Socially unprotected is person who does not have income, or whose income considered as a family income is lower than the permanent financial aid determined with the Law on Social Protection (Article 30); Official Gazette No. 21/2006.

Single pregnant woman and single parent who are considered as incapable to work<sup>126</sup> can obtain a right to a permanent financial aid till the first three children in delivery order.

#### **3.3.5.3 Family allowances and access to them**

One-time financial aid can be granted to a family at risk due to natural disaster or epidemics, longer sickness etc. The amount of this one-time financial aid can reach up to two average monthly net salaries per worker. The aid can be received in the Social Work Center.

Child allowance: the child allowance is provided on the basis of the child's age and material conditions of the family. There is also one-time aid for newborn children depending on the income of the family. A special allowance is envisaged for disabled children up to 26 years of age.

Pregnancy & maternity leave: female employees are entitled to paid leave for a period of nine months uninterruptedly, or in cases where the female employee gives birth to more than one child at the same time (twins, triplets or more) she is entitled to one years leave. Based on a report from a competent health institution, the employee may start their maternity leave forty-five days before giving birth, but must start their maternity leave twenty-eight days before giving birth.

A female employee using leave from work due to pregnancy, giving birth and parenting may choose to return to work before the expiry of her leave entitlement.

Adoption & maternity leave: A female employee who adopts a child is entitled to maternity leave until the child is nine months old, and in cases where an employee adopts more children (two or more), one year applies. A female employee who has adopted a child is entitled to paid absence from work for the duration of a period necessary for the child's adaptation as stipulated by family law regulations.

#### **3.3.5.4 Other benefits in the social welfare system**

There is special incentive for employers aimed at supporting re-employment for special categories of unemployed persons with over 54 years of age and who have made pension insurance contributions for 25 years. Thus, the employer who will employ unemployed person on an indefinite period shall be reimbursed funds for pension and disability insurance for the period of 24 months from the employment under conditions set out in that law.

There are other incentives for the employers as well. In case of disabled persons, according to the Law on Employment of Disabled Persons (Official Gazette of Republic of Macedonia No. 87/2005), the measures for improving the employment conditions of this population are: granting non-refundable funds for employing disabled person on an undetermined period, exemption from paying taxes and financial support in business. Concretely, for starting a business disabled persons are granted with 20 average salaries (approximately 5,000 EUR). The same amount is to be granted to the employer who employs disabled person. Additional 100.000 MKD are obtainable for disabled persons or their employers for adaptation of the working space. Also, under special conditions a funds equivalent to 200 monthly salaries are obtainable for purchasing working equipment. Finally, disabled persons

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<sup>126</sup> Incapable to work is a pregnant single woman during the last month of pregnancy, and a single parent till the third birthday of the child.

are exempt from paying personal income tax, value added tax, and corporate income tax as well as from paying health and pension insurance reimbursement.

#### **3.3.5.5 Special benefits for the returnees**

There are no special benefits or privileges for returnees in Macedonia.

#### **3.3.6 Charity organisations with a general scope**

Many charity organizations operate in Macedonia differing in scope of work, funding and structure.

The International Organization for Migration (IOM)<sup>127</sup> in Skopje was established in 1999 with the purpose of assisting the country in the implementation of the Stabilization and Association Agreement, with particular emphasis on migration management. Since then, IOM Skopje activities have expanded to address a variety of pressing migration related issues including human trafficking, technical cooperation and institutional capacity building in the field of migration, voluntary return and reintegration programmes, and economic stabilization programmes.

The address of IOM Mission in Skopje is “Varsavska 9a, 1000 Skopje, tel: +389 230 88100; Email: [administrator@iomskopje.org.mk](mailto:administrator@iomskopje.org.mk).

Macedonian Red Cross<sup>128</sup> is located on Boulevard Koco Racin 13, 1000 Skopje, tel: +389 2314 355; Email: [mrc@redcross.org.mk](mailto:mrc@redcross.org.mk)

Humanitarian Organization Mesecina (Moon)<sup>129</sup> - the main goal is to provide short and long-term help for the social poor people in Republic Macedonia. The address is Str. Goce Delcev TC Mavrovka suteran 11/32, 1000 Skopje, tel: +3892 3228 878.

The Social Activities Office (Tel: 02 3230 401) is the expert and development utility within the social protection system taking care mainly for vulnerable population groups like children without parents, old persons, poor families etc.

The Centres for Social Work (under the Ministry of Labour and Social Policy) are placed in the following places:

Berovo - 033 470 641  
Bitola - 047 231 651  
Makedonski Brod 045 274 137  
Vinica 033 360 305  
Gevgelija 034 211 955  
Gostivar 042 217 645  
Debar 046 833 323  
Delcevo 033 411 736  
Kavadarci 043 414 456  
Kicevo 045 220 661  
Kocani 033 274 139

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<sup>127</sup> <http://www.iomskopje.org.mk>.

<sup>128</sup> [www.redcross.org.mk](http://www.redcross.org.mk)

<sup>129</sup> [www.mesecina2000.org.mk](http://www.mesecina2000.org.mk)

Kriva Palanka 031 372 245  
Krusevo 048 477 739  
Kumanovo 031 438 160  
Negotino 043 361 488  
Ohrid 046 260 708  
Prilep 048 424 595  
Probistip 032 483 127  
Radovis 032 431 065  
Resen 047 452 552  
Sveti Nikole 032 443 305  
Skopje 02 3297 700  
Struga 046 786 976  
Strumica 034 344 077  
Tetovo 044 331 575  
Veles 043 231 355  
Stip 032 391 779

### 3.3.7 Useful data to calculate the cost of living

The average net salary per worker in March 2008 was 15,529 MKD (approx. 251 EUR/year)<sup>130</sup>.

To compare the salary level with the cost of living the following main foodstuffs and petrol has been included. Total expenses for food and beverages are 12,322 MKD (approx. 200 EUR/year)<sup>131</sup>. The prices of food products has increased due to the global trends and inflation (9, 5%). 500 gram bread is approx. 22 MKD (0, 35 EUR), 1 litre of milk is 50 MKD (0, 81 EUR), 1 litre of Oil used for cooking is in average 100 MKD, 1 kilo of potatoes 30 MKD (0, 48 EUR), and 1 kilo of tomato 50 MKD (0, 81 EUR).

The current prices of petrol<sup>132</sup> are: EUROSUPER 98 - 71 MKD (1, 15 EUR) per litre and EURODIESEL - 67 MKD (1, 09 EUR) per litre.

### 3.4 Health

There have been a number of reforms in the health care system. Following the democratic transition to an independent country, more centralized health care planning became a necessity. For this purpose the Ministry of Health was established in 1991. The *Health Care Law* was passed the same year setting up a process that centralized the financial and stewardship functions at the same time aimed to preserve some autonomy of the health care provider's structures at local level. Against the background of limited resources, effective and centrally planned infrastructure took precedence over the development of a management role on regional level. The establishment of the Health Insurance Fund contributed to the further strengthening of the central strategic and operational planning.

Health care in Macedonia is provided through a system of health care institutions (HCI). It is organized on three levels: primary (PHC), secondary and tertiary. The implementation of the functional division among the three is still an outstanding issue. In fact, presently, tertiary level health care institutions provide services belonging to the secondary health

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<sup>130</sup> All converted prices in EUR are according to the web site: [www.xe.com](http://www.xe.com), as per 25 August, 2008.

<sup>131</sup> [www.stat.gov.mk](http://www.stat.gov.mk) (State Statistical office)

<sup>132</sup> [www.erc.org.mk](http://www.erc.org.mk); Energy Regulatory Commission (as per August 2008)

care. There is a need to implement a regulatory framework to ensure proper gate keeping and referral practices so that patients are treated at the appropriate care level.

The *Law on Local Self-Government* was passed in 2004. This law envisages more influence given to the municipalities especially in the areas of health promotion, preventive activities, occupational and mental health, as well as the provision of healthy living environments. To this end the Ministry of Health plans to empower local representatives to play a more proactive role in problem assessment and analysis, priorities setting and health promotion activities.

### 3.4.1 General health situation by regions

Macedonia is one of the smallest country in Europe, thus there is no regional significance in terms of health situation of its citizens.

Life expectancy at birth for both sexes in Macedonia has increased slightly from 72.13 years in 1991 to 73.54 years in 2003, whilst the gap between the sexes remains almost the same (4.6 years in 1991 compared to 4.9 in 2003 with women expected to live longer than men.)

Life expectancy in Macedonia is much lower than in some other countries and in 2004 was five years below the EU average of 78.49 years. Differences in life expectancy among countries can along with many other factors be attributed to differences in adult mortality which is dependent on the socio-economic status, standard of living, and life style.

One of the positive developments in Macedonia in the last decade has been that the infant mortality rate (IMR) has continued to fall, as in almost all countries in the region, and has decreased from 28.25 (1991) infant deaths/1000 live births to 11.29 in 2004. However, this figure is still three times higher than the EU average of 4.75. A decrease in IMR up to 2002 can partly be attributed to the many policy interventions undertaken. Significant outcomes have been achieved with the Perinatal Project (1999-2001) as part of Health Sector Transition Project. The project improved access to intensive care facilities with modern equipment and evidence-based methods of treatment.

**Table 1. Mortality Rate**

<i>Mortality and morbidity rate in Macedonia</i>				
Year	Number of people	Mortality rate	Number of registered illnesses	Morbidity rate
2002	17962	8.881	2.405.827	1189.5‰
2003	18006	8.884	2.721.628	1342.8‰
<i>Source: State Health Institute</i>				

Unlike in the EU countries where the determinants of mortality are better understood, and economic decline and increasing income inequalities, for example, have been put in correlation with an increase in premature mortality among men, so far little research has been carried out on the causes of mortality patterns in Macedonia.

Circulatory diseases are the leading cause of death in Macedonia, accounting for nearly 57% of all deaths in 2003. The standardized death rate (SDR) per 100,000 inhabitants for circulatory diseases has increased from 527 in 1991 to 599 in 2003, which is more than double that of the EU average of 262.38 in 2003. Overall mortality from cancer related pathology as the second most significant cause of death has also increased over the past 10

years, from SDR 140 per 100,000 in 1991 to 165 per 100,000 in 2003, which is still lower than the EU average of 184 in 2004. External causes (injuries and poisoning) are the third leading cause of death (the SDR in 2000 was 37.9). Respiratory diseases rank fourth, with bronchitis, emphysema and asthma accounting for more than 60% of these deaths. Diseases of the endocrine and digestive systems - with a substantial proportion (approximately 40%) of the latter attributed to chronic liver diseases and cirrhosis - represent the fifth and sixth most significant causes of death, respectively. Important risk factors for these conditions could be alcohol consumption and hepatitis infections, the latter being among the five most frequent infectious diseases in Macedonia.

The cancer incidence in Macedonia has seen an increasing trend, though, unfortunately, during the last decade there have been flaws in its recording. The increase has been particularly notable in cancer of the lung and prostate among men, and cancer of the breast and cervix among women. Mortality from cancer related to tobacco and alcohol abuse has increased rapidly in the last decade, reflecting changes in consumption.

Given the long lag phase in the progression of many types of cancer, it can be expected that rates will continue to rise for some years to come.

In 2000 suicides accounted for 20% (7.6 per 100,000) of deaths and traffic accidents for 14% (5.4 per 100,000), the latter representing one of the lowest rates reported in the WHO European Region. The number of murder cases almost doubled in the period 1991-2000, amounting to 8% (3.1 per 100,000 people).

During the 1990s the incidence of tuberculosis (TB) decreased significantly, reaching the lowest rate of 27.61 per 100,000 inhabitants in 1999. Supported by the WHO and the World Bank, Macedonia has successfully implemented the Directly Observed Treatment (DOT) strategy, halving the number of patients with active tuberculosis between 1997 and 2001, and reducing the average length of hospital stay in both general and specialist hospitals by more than 20%. However, the Kosovo crisis and the conflict in Macedonia, that resulted in a rise in the number of refugees and displaced citizens, have had negative impacts on the health of the population such as an increase in the incidence of TB. In 2004, the incidence of TB was 31.72 per 100 000, representing a rate almost three times higher than the EU average of 11.85.

By 2005 a total of 16 HIV-positive and 59 AIDS cases had been recorded in Macedonia (Joint United Nations Programme on HIV/AIDS (UNAIDS)) database. The first HIV-positive case was recorded in 1987 and the first AIDS case diagnosed in 1989. As most of the cases had been registered at a late stage of the HIV infection or after the patient had already developed AIDS, 46 out of the total of 59 people have died. In 2005 eight new AIDS cases were diagnosed. The male-to-female ratio in 2005 was 2.1 to 1, compared to a 1.02 to 1 ratio some years ago. Investigations into transmission methods revealed that heterosexual intercourse accounted for 56%, and homosexual for 13%. An additional 13% was attributed to intravenous drug use and 8.7% to treatment for hemophilia. In 4.3% of cases, transmission from mother to child had occurred and for 5% the transmission method remains unknown, but may also be attributable to homosexual practices. For a variety of reasons, including cultural, religious or social traditions and irrespective of their ethnic origin, it is still very difficult for people to speak openly about their sexual orientation.

### 3.4.2 Drinking water and sanitation by regions; heating systems

The Public Enterprises of Communal Hygiene under the responsibility of the Ministry of Transport is working to ensure a safe drinking water supply to all cities and for some villages.

The Republic Institute for Health Protection - Skopje and 10 Regional Institutes for Health Protection (in Skopje, Kumanovo, Kocani, Stip, Veles, Strumica, Bitola, Ohrid, Prilep and Tetovo) are responsible for the monitoring of the drinking water supply. They report to the Food Directorate which is a part of the Ministry of Health.

The Minister of Health has established a Commission for drinking, bottled and natural mineral water safety, and has nominated 6 experts (hygiene specialists, biologist, chemist, technologist and lawyer). The scope of work of this Commission encompasses everything connected with solving high priority problems related to the quality of the drinking water quality at the national level.

In Macedonia, water quality has the highest national and public health priority. Safe sanitation is a top priority for urban areas, but in rural areas there is still much to be done. At the national level there are no particular challenges in relation to water and health. But some problems remain, for example at Sveti Nikole, a small town of 12,000 inhabitants in the central region of Macedonia, there is a problem with water quality: the treated water from the drinking water treatment plant contained a high level of aluminium and trihalomethanes, due to the fact that the water treatment plant was conditioning surface water from the local dam (built for irrigation in 1970s). This is a small dam with only 2,000,000 m<sup>3</sup> water, and during the past three years the quality of raw water has been very bad. In 2003, the drinking water from water treatment plant was prohibited, and since then until recently citizens have been supplied with safe water from water tanks from the water supplying system in the neighbouring town of Stip. The new water treatment plant has been completed in late 2007, and its quality remains to be monitored.

Continuous access to safe drinking water from an improved water supply is provided to:

93% of the population overall  
99% of the urban population  
22 of the rural population

Access only to unsafe drinking water:

7% of the population overall  
78% of the rural population  
1 % of the urban population  
Of the rural population:  
19% has a centralized water supply  
58% has a local water supply  
23% has a local water source

Improved sanitation is available for 90% of the urban population and 15% of the rural population.

Improvement programmes

The Ministry of Environment and Physical Planning, Ministry of Agriculture, Forestry and Water Economy and Ministry of Transport are responsible for the improvement of the water supply. The Ministry of Agriculture, Forestry and Water Economy in cooperation with the Ministry of Environment and Physical Planning, Ministry of Health, Ministry of Local Self-Government and other relevant stakeholders, supported by JBIC and JICA, are trying to improve the water supply systems and irrigation in the north-eastern part of the country for seven municipalities - Kratovo, Probistip, Zletovo, Lozovo, Stip, Karbinci and Sveti Nikole, that totals about 100,000 inhabitants.

#### Water quality

The national microbial failure rate of the urban water supply system is 0.8% because of an increased number of aerobic mesophilic bacteria. For rural areas the failure rate is 23% because of microbial contamination, which is mostly due to a lack of effective chlorination of the drinking water. Only a few percent are because of E. coli.

Chemical failure rates: the urban water supply system had 5.6% samples lack residual chlorine, and higher values of manganese and iron (in Kocani and Stip). In rural areas, the water supply system had 19% of samples had problems with residual chlorine, and a few due to high levels of nitrate (some villages in Strumica), and 20% of bacteriological samples that exceeded the limits due to its content of coliform bacteria<sup>133</sup>.

#### Laboratories

The Republic Institute for Health Protection-Skopje and its laboratories are in the final phase of accreditation for ISO 17025 (control of food quality - drinking water is a food according to the Food Safety Law, Official Gazette of the Republic of Macedonia No.54/2002). The regional Institutes for Health Protection (10) are also conducting the accreditation for ISO 17025 but for basic methods of food quality investigation.

#### Surveillance system

The surveillance system is aimed at prevention and early alert, as well outbreak detection. Data are collected based on gender and age - 0-6, 7-14, 15-19 and 20-60+ years.

There was a decreasing trend in the standardized death rate under five from all causes 1990 = 730/100,000 in 1997 = 390/100,000 2002 = 265/100,000).

#### The heating system in Macedonia

Macedonia is short of energy resources. It has lignite, which is mostly used to generate electricity, and hydropower; which together are sufficient to make the country more or less self-sufficient in electricity. Still it exchanges electricity with the surrounding countries.

Firewood is used extensively for heating and cooking.

Altogether domestic energy sources account for about 60% of energy supplies. The country totally lacks oil, gas or high quality coal resources and as a result imports around 40% of its energy consumption. There are also normally small imports of coke for the steel mills and the country is just beginning the importation of Russian Natural Gas.

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<sup>133</sup> For more information please see [http://www.euro.who.int/eehc/implementation/20061229\\_1](http://www.euro.who.int/eehc/implementation/20061229_1)

### 3.4.3. Health care system

In accordance with the Macedonian legislation the health care institutions can be established by the Republic, legal and private persons. A public health institution can be established by the parliament of the Republic of Macedonia. In the compulsory health insurance system of Macedonia the funds generated by the collection of contributions represent the main source of financing of the health sector. Insurance coverage encompasses nearly the entire population. General coverage includes employed and self-employed individuals, people working in the agricultural sector, temporarily unemployed people, pensioners, disability insurance-related beneficiaries, war veterans, social welfare beneficiaries, etc. The contributions are payroll-dependent and insured individuals can be grouped into seven categories as follows: Employed and self-employed individuals; Self-employed people in the agricultural sector; Pensioners; Temporarily unemployed individuals, disabled people, war veterans, and social welfare beneficiaries; Citizens of Macedonia employed abroad (provided they are not insured by a foreign employer) and foreign citizens working in Macedonia (the latter pay a flat-rate contribution); Members of soldiers' and prisoners' families; Clergy and members of monastic orders. The forthcoming amendments to the Law on Health Insurance and on State Contributions from Mandatory Social Insurance, announced on the government's session on 28 February 2009<sup>134</sup>, will enable unemployed and homeless citizens to access medical care. Currently these sections of society are only entitled to the services provided in hospital emergency rooms, whereas the recent modifications provide them with complete treatment from all hospital departments made available to those with standard state health insurance.

Prior presenting the geographical distribution of the health care institutions in Macedonia this annex makes an effort to define the different institutions, their public mandate as well the services that they provide to the patients, both in the preventive healthcare and the medical treatment.

Healthcare Station: The Health station implements healthcare protection, the precondition is that the particular health station satisfies the minimum standards prescribed by law: equipped for general medical practice, labour medicine, women healthcare protection, laboratory, hygienic and sanitation services. In addition to these the healthcare station should be able to extend its provision of medicines, sanitation materials as well as means for healthcare based statistical activity.

Health home: In order to implement the primary health care protection, health homes are established. The health home provides a higher level of health protection than the healthcare stations, in particular a health home should provide at least the following service:

- General medical practice, emergency and home treatment
- Healthcare protection to the workers
- Child healthcare protection
- Healthcare protection for pupils and juveniles
- Healthcare protection for women
- Pneumonic diagnostic
- Deontology
- X-ray and diagnosis
- Epidemiology and hygiene-sanitation function

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<sup>134</sup> <http://www.vlada.mk/?q=node/2416>

- Laboratory
- Provision of medicines
- Patronage and healthcare statistic
- Social medicine

Hospital: The hospitals implement specialist and consultative healthcare, as well hospitalization as a form of medical protection. In the specialist and consultative healthcare protection the hospitals conduct research and establish illness and injuries in the health conditions of the beneficiaries. Further more the hospitals undertake specialized diagnostic, therapeutic and rehabilitation procedures, as well as present specialist opinions and recommendations. In hospitalization of patients, the hospital conducts diagnostic, treatment, dieting, and continuous specialist monitoring and supervision, acceptance and treatment to emergency cases. In addition to these the hospitals provide opinion letters, medical aid, participate in the implementation of special programs aiming at preventing and early discovery of illnesses and injuries. The hospital also provide directions and advices for home treatment, provide health education to the persons that benefit from its service, as well extend its professional expertise to the other healthcare organization and provide specialization for the healthcare staff.

General Hospital: This type of hospital implements healthcare protection of all the persons regardless of age and pathology of illness. In order to be established, a hospital needs to satisfy the basic conditions for specialist-consultative and hospital protection for internal medicine, children's diseases, general surgery, obstetric and gynaecology, anaesthesia and reanimation, as well as conditions for the following activities should be satisfied: conducting bio-chemistry (laboratory)examination, radiological diagnostic, provision of blood derivates, provision of medicines and sanitary materials, post-mortem diagnostic and biopsy. The hospital should also dispose with conditions for isolation of spreading diseases as well healthcare statistics.

Specialist hospital: This type of hospital implements healthcare protection only for certain pathology or persons belonging to certain category of patients. The specialist hospital needs to satisfy the basic conditions for specialist-consultative and hospital protection, it should dispose with corresponding instruments for diagnostic and laboratory activities, as well as provision of medicines and sanitation materials, accommodation and nourishment of the patients as well as healthcare statistics.

Medical centre: A medical centre implements health care protection only if it meets the requirements for Health Home and General Hospital.

- The National Department (Bureau ) for Healthcare Protection; monitors, researches and studies the healthcare situation of the population, the reasons for the appearance and the spreading of the infectious diseases significant from the social and medical perspective, as well as the impact of the ecology factors on the health; suggest and initiates measures for protection and prevention.

Departments (Bureau) for Health Protection: The Department implements healthcare protection of one or more branches of the medical healthcare protection, or for a defined group of population. The Department systematically monitors and studies the areas for which is established, it explores methods and implements measures for early discovery of illnesses, treatment and rehabilitation; recommends and implements measures for

advancing the healthcare protection in those areas, provides technical and medical support, participates in the creation and the implementation of healthcare/medical policies and implements specialization of the medical workers/professionals and the associated staff. The department can also provide hospital healthcare protection provided that it meets the conditions for specialized hospital; the department also conducts planning, advancing and organizing public campaign for donating blood. It also collects stores and distributes blood for the needs of the healthcare institutions; prepares test serums; produces blood derivatives; implements immunological examinations, implements medical policies in its area of jurisdiction.

Institute: An institute implements healthcare protection if it meets the conditions for Department (Bureau) for Healthcare Protection, as well as the conditions for conducting scientific and research function.

Clinic: A clinic implements healthcare protection if it meets the conditions for conducting specialist-consultative and hospital function, or only specialist and consultative function in one branch of the medicine, or to particular groups of population / category of patients, in which educational function is carried, as well as specialization of the healthcare workers/professionals; scientific and research function. A clinic conducts the most complex types of healthcare protection of a particular branch of the medicine, develops medical policies and criteria in its area. The clinic can start with its work if it has at least five staff with VIII level of technical background and two professors from the Medical faculty.

Clinical centre: Clinical centre is a healthcare organization that implements high differentiation healthcare protection of different branches of the medicines, implements educational and scientific research function, provides functional interconnection of the different functions, organizes unified laboratory and diagnostic function, x-ray diagnostic, anaesthesiology, and reanimation function; admittance and provision of medicines. In addition to these the Clinical Centre conducts specialist-consultative function.

Geographical distribution of the health care institutions in Macedonia:

**Health Stations:**

North (rural) Skopje  
North Tetovo

**Health Homes:**

North Skopje  
Gostivar  
Makedonski Brod  
Struga  
Resen  
Demir Hisar  
Krusevo  
Negotino  
Valandovo  
Radovis  
two in Berovo  
Vinica  
Probistip  
Svetinikole

**Medical Centres:**

Tetovo  
Gostivar  
Kitchevo  
Debar  
Struga  
Ohrid  
Bitola  
Prilep

**National Department  
for Health Protection:**

Skopje

**Regional Departments  
for Health Protection:**

Tetovo  
Ohrid  
Bitola  
Prilep  
Veles  
Stip  
Kocani  
Kumanovo

**Outpatient sickbays:**

Struga  
Resen

Kavadarci  
Gevgelija  
Strumica  
Stip  
Gevgelija  
Kocani  
Delcevo  
Kratovo  
Kriva Palanka  
Kumanovo  
Veles

**General Hospital:**

Skopje  
Tetovo  
Gostivar  
Kitchevo  
Debar  
Ohrid  
Struga  
Bitola  
Prilep  
Veles  
Kavadarci  
Gevgelija  
Strumica  
Stip  
Kocani  
Kriva Palanka  
Valandovo  
Negotino  
Strumica  
Radovis  
Delcevo  
Probistip  
Kratovo  
Svetin

Kumanovo

**Centres for Treatment  
and Rehabilitation:**

Only in Resen

*Institutes of the  
Medical faculty and  
other related health  
institutions:* Only in  
Skopje

**Other Specialised  
hospitals:** Skopje and  
Ohrid

**Clinic:** Skopje

**Deontological Clinic:**

Skopje  
**Hydrotherapeutic  
(water cure) hospitals:**  
Skopje  
Debar  
Gevgelija  
Strumica

## LIST OF ABBREVIATIONS

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AIDS - Acquired immune deficiency syndrome  
APPRM - Agency Promotion of Entrepreneurship of the Republic of Macedonia  
CARD - Community Assistance Reconstruction and Development  
CC - Criminal Code  
CEE - Central East European Countries  
CIA - Central Intelligence Agency  
DOT - Directly Observed Treatment  
EARM - Employment Service Agency of Republic of Macedonia  
EU - European Union  
EUR - Euro (official currency in some of the countries of the European Union)  
FOSIM - Foundation Open Society Institute Macedonia  
FYROM - Former Yugoslav Republic of Macedonia  
GWh - Gigawatt hour  
HES - Hygienic-Epidemiologic-Sanitary  
HCI - Health Care Institution  
HIF - Health Insurance Fund  
HIV - Human Immunodeficiency Virus  
ICTY - International Criminal Tribunal for Yugoslavia  
IDPs - Internally Displaced Persons  
IFAD - International Fund for Agricultural Development  
IMR - Infant Mortality Rate  
IOM - International Organization for Migration  
ISO - International Organization for Standardization  
IT - Information Technology  
JBIC - Japan Bank for International Cooperation  
JC - Judicial Council  
JICA - Japan International Cooperation Agency  
MBA - Macedonian Bar Association  
MBDP - Macedonian Bank for Development Promotion  
MESP - Ministry of Environment and Spatial Planning of Republic of Macedonia  
MFA - Ministry of Foreign Affairs  
MKD - Macedonian currency is the Denar  
MLSP - Ministry of Labour and Social Policy of Republic of Macedonia  
MoE - Ministry of Economy of Republic of Macedonia  
MoF - Ministry of Finance  
Mol - - Ministry of Interior of Republic of Macedonia  
MYLA - Macedonian Young Lawyers Association  
MTC - Ministry of Transport and Communications of Republic of Macedonia  
NATO - North Atlantic Treaty Organization  
NGO - Non Governmental Organization  
NLA - National Liberation Army  
NPAA - National Program for Adoption of ACQUIS  
OGRM - Official Gazette of the Republic of Macedonia  
OSCE - Organization for Security and Co-operation in Europe  
PELWSM - Public Enterprise for Living and Working Space Management  
PHC - Primary Health Care  
PLD - Positive List of Drugs  
PNC - Public Notary Chamber  
SAA - Stabilization and Association Agreement

SEE - South East European Countries  
SIHP - State Institute for Health Protection  
SME - Small and Medium Sized Enterprises  
SOG - State Office for Geodesy  
SOROS (OSIM) - Open Society Institute in Macedonia  
SSO - State Statistical Office  
TB - Tuberculosis  
THB - Trafficking in Human Beings  
UN - United Nations  
UNDP - United Nations Development Programme  
UN FCCC - United Nations Framework Convention for Climate Change  
UNHCR - United Nations High Commissioner for Refugees  
USA - United States of America  
US - United States  
VAT - Value Added Tax  
WHO - World Health Organization

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Our local partners in **Macedonia** are: The Macedonian Young Lawyers Association (MYLA) and ECO

- The Macedonian Young Lawyers Association: is a non-governmental organisation founded in 2003. The main mission of MYLA is to unite young lawyers as well as to promote and represent their interests in order to actively contribute to the strengthening and development of the rule of law in Macedonia.
- The European Civil Organization (ECO) was founded in April 2007 in Skopje, Macedonia. ECO works closely with local communities carrying out assessments, research studies and evaluation exercises at grass roots level throughout the country.