

FMA on-line Study Visit to North Macedonia 2020



FMA Secretariat
Office JAN 2 Q 73
European Parliament
B-1047 Brussels
Tel: +322.284.07.03 Fax: +332.284.09.89
E-mail: formermembers@europarl.europa.eu

I Index	2
II A Brief History of North Macedonia	3
III Political System in North Macedonia	7
1. Presentation of the North Macedonian Political System	8
2. North Macedonian Political Actors in 2020	17
IV Economic Situation in North Macedonia	22
1. The World Bank in North Macedonia- Country Snapshot	24
2. Economist Intelligence Unit - Country Report	28
V North Macedonia's Human Rights situation	36
VI North Macedonia's Foreign Policy	40
1. Relations with the EU	41
VII The Culture of North Macedonia	51

II A Brief History of North Macedonia

A Brief History of North Macedonia¹

Historical or geographical Macedonia is divided between the Republic of North Macedonia (38%), Greek Macedonia (51%) and Bulgaria's Pirin Macedonia (11%). For its people, their history is a source of great pride but also a heavy burden. The post-Yugoslav experience has seen existential pressure from neighbours constantly challenging the Macedonian identity. North Macedonia's history is too complex for simple answers, but many have strong opinions.

Ancient Macedonians and Romans

The powerful Macedonian dynasty of King Philip II (r 359–336 BC) dominated the Greek city-states. Philip's son, Alexander the Great, spread Macedonian might to India. After his death (323 BC), the empire dissolved amid infighting. In 168 BC, Rome conquered Macedonia; its position on the Via Egnatia, from Byzantium to the Adriatic, and the Axios (Vardar River) from Thessaloniki up the Vardar Valley, kept cities prosperous.

Christianity reached Macedonia with the Apostle Paul. After the division of the Roman Empire in AD 395, Macedonia came under Byzantine Constantinople and Greek-influenced Orthodox Christianity.

The Coming of the Slavs and the Macedonian Cars

The 7th-century Slavic migrations intermingled Macedonia's peoples. In 862, two Thessaloniki-born monks, St Cyril and St Methodius, were dispatched to spread orthodoxy and literacy among Moravia's Slavs (in modern-day Czech Republic). Their disciple, St. Kliment of Ohrid, helped create the Cyrillic alphabet. With St Naum, he propagated literacy in Ohrid (the first Slavic university).

Byzantium and the Slavs could share a religion, but not political power. Chronic wars unfolded between Constantinople and the expansionist Bulgarian state of Car Simeon (r 893–927) and Car Samoil (r 997–1014). After being defeated in today's Bulgaria, Prespa and Ohrid in Macedonia became their strongholds. Finally, Byzantine Emperor Basil II defeated Samoil at the Battle of Belasica (near today's Strumica, in eastern Macedonia) in 1014, and Byzantium retook Macedonia.

Later, the Serbian Nemanjic dynasty expanded into Macedonia. After Emperor Stefan Dušan (r 1331–55) died, Serbian power waned. The Ottoman Turks soon arrived, ruling until 1913.

Ottoman Rule and the Macedonian Question

The Ottomans introduced Islam and Turkish settlers. Skopje became a trade centre, and mosques, *hammams* (Turkish baths) and castles were built. However, Greeks still wielded considerable power. In 1767, Greece caused the abolition of the 700-year-old Ohrid archbishopric. Greek priests opened schools and built churches, to the resentment of locals. Bulgaria and Serbia also sought Macedonia. The lines were drawn.

In Macedonia, Western European ethnic nationalism collided with the Ottomans' civil organisation by religion (not ethnicity). Europe's powers intervened after the 1877–78 Russo-Turkish War, when

¹<https://www.lonelyplanet.com/north-macedonia/background/history/a/nar/8efe5a07-607f-4d45-80dd-01ab3a047f4d/360131>

the Treaty of San Stefano awarded Macedonia to Bulgaria. Fearing Russia, Western powers reversed this with the Treaty of Berlin, fuelling 40 years of further conflict.

Although Macedonia remained Ottoman, the 'Macedonian Question' persisted. Various Balkan powers sponsored revolutionary groups. In 1893, the Internal Macedonian Revolutionary Organisation (Vnatrešna Makedonska Revolucionerna Organizacija, or VMRO) was formed. VMRO was divided between 'Macedonia for the Macedonians' propagandists and a pro-Bulgarian wing.

In the Ilinden Day Uprising (2 August 1903), Macedonian revolutionaries declared the Balkans' first democratic republic, in Kruševo; it lasted just 10 days before the Turks crushed it. Although leader Goce Delčev had died months earlier, he is considered a Macedonian national hero. The uprising is commemorated at the Ilinden Uprising Monument in Kruševo.

In 1912 the Balkan League (Greece, Serbia, Bulgaria and Montenegro) fought Turkey (the First Balkan War), with Macedonia a prime battleground. The Turks were expelled, but a dissatisfied Bulgaria turned on its allies in 1913 (the Second Balkan War). Defeated, Bulgaria allied with Germany in WWI, reoccupying Macedonia and prolonging local suffering.

The Yugoslav Experience

When Bulgaria withdrew after WWI, Macedonia was divided between Greece and the new Kingdom of Serbs, Croats and Slovenes (Royalist Yugoslavia). Belgrade banned the Macedonian name and language, and disgruntled VMRO elements helped Croat nationalists assassinate Serbian King Aleksandar in 1934.

During WWII, Josip Broz Tito's Partisans resisted the Bulgarian–German occupation and socialist Yugoslavia was formed in 1945, with Macedonia as a republic. Some ethnic Macedonians joined the communists fighting royalists in the 1946–49 Greek Civil War. The communist defeat forced thousands, including many children (known as the *begalci*, meaning 'refugees'), to flee Greece.

In Yugoslavia, Macedonia (along with the other Yugoslav republics) became more urbanised and Macedonian grammar was established in 1952. The 1963 earthquake destroyed around 65% of Skopje and the city was rebuilt with Yugoslav and international donations. Macedonia's Orthodox Church was created in 1967 – the 200th anniversary of the Ohrid archbishopric's abolition.

North Macedonia after Independence

In a 1991 referendum, 74% of Macedonians voted to secede, making Macedonia the only Yugoslav republic to do so peacefully. However, the withdrawing Yugoslav army took everything, leaving the country defenceless. Greece's fears of an invasion from the north thus seemed unfounded to everyone but them; nevertheless, Macedonia changed its first flag (with the ancient Macedonian Vergina star) to appease Athens, after it had already accepted a 'provisional' name, the Former Yugoslav Republic of Macedonia (FYROM), in order to join the UN in 1993. When the USA (following six EU countries) recognised 'FYROM' in 1994, Greece defiantly announced an economic embargo.

This crippling embargo coincided with wars in other former Yugoslav states, creating ideal conditions for high-level schemes for smuggling fuel and other goods. The 1990s 'transition' period created a

political/business oligarchy amid shady privatisations, deliberate bankrupting of state-owned firms and dubious pyramid schemes.

During the 1999 Kosovo crisis and NATO bombing of Serbia, Macedonia sheltered more than 400,000 Kosovo Albanian refugees. In 2001 Ushtria Çlirimtare Kombetare (UÇK; National Liberation Army) was created demanding equal rights for Macedonia's large ethnic Albanian minority, which brought the country to the brink of a civil war. The conflict-ending Ohrid Framework Agreement granted minority language and national symbol rights to the Albanians, along with quota-based public sector hiring. Macedonians found the conflict a humiliating defeat. Albanians saw it as the first step to a full ethnic federation. Foreign powers have argued that this may well occur, if Macedonia cannot join NATO and the EU.



EPFMA
PEAAD

III Political System in North Macedonia

- 1. Presentation of the North Macedonian Political System**
2. North Macedonian Political Actors in 2020

Presentation of the North Macedonian Political System

For a long time, North Macedonia has been considered a relative success story in the region: no major conflicts, a successful state-building process, and no territory issues.²

After years of showing dedication to the Ohrid Agreement – the 2001 peace deal between the North Macedonian government and ethnic Albanians – and implementing reforms, the country received EU candidate status in December 2005. The promises of EU and NATO membership (by 2008 the criteria for entering NATO were fulfilled) are important tools in uniting Macedonians with Albanian minorities. However, despite UN mediation, the long-standing name dispute with Greece has been stagnating the EU integration process and NATO membership as Greece has been vetoing the opening of the accession negotiations. It is during the accession negotiations that the EU has the most leverage and influence on structural and sustainable reforms – for example on rule of law and fundamental rights – in a candidate state.

In addition, the ruling conservative VMRO-DPMNE party of Nikola Gruevski, in power between 2006 and 2016, misused the lack of progress on the European road to establish an authoritarian regime and to engage in a nationalist identity-building project. Defending their activities under the slogan ‘at least we built something’ the government invested hundreds of millions of euros in building marble Greek-style statues, fountains, and buildings, turning the capital in something close to a theme park.

In the context of nationalism, ethnic conflicts are influencing the political landscape. Due to the demand for the Albanian language to be the second official language used by the Government and opposition leader Zoran Zaev's attempts to form a coalition with Albanian ethnic parties, the situation in North Macedonia has been far from stable. For example, after the 2014 elections, a deep political conflict arose from a governmental wiretap-scandal. The Special Prosecution Office (SJO) led the investigation into the wiretaps and pressed charges against high-ranking government officials, including the prime minister and the interior minister. Prime Minister Nikola Gruevski resigned on 15 January 2016 because of the political tensions. New parliamentary elections were held on 11 December 2016.

The EU-mediated Pržino Agreement between ruling parties and the opposition determined furthermore that SDSM would take part in the transition government that was to prepare free and fair elections. The implementation of the Pržino Agreement proved to be very challenging and the early elections were postponed to December 2016. Gruevski's party remained the largest with 39% of the votes, which translates into 51 (-10) seats in parliament. The SDSM improved its result by winning 38% of the votes or 49 seats (+15). The Albanian parties Democratic Union for Integration (DUI) with 10 seats (-9) and newcomer Besa with five seats hold the key in the formation of new government that needs 61 seats for a majority. Surprisingly the Albanian parties, under pressure from Albanian prime minister Edi Rama (Socialist Party of Albania, SPA), managed to put their sharp differences aside and develop a joint agenda of Albanian interests in Macedonia, such as adopting Albanian as an official language. Acceptance of this common platform has been set as a condition to both VMRO-DPMNE and SDSM for any coalition with an Albanian party. President Ivanov gave the mandate to Gruevski who tried but failed to form a government. After the next party in line to form a government, the SDSM, provided signatures of a majority of MPs supporting their option, Ivanov

² <https://www.europeanforum.net/countries/north-macedonia>

refused to hand over the mandate to SDSM leader Zaev. Ivanov argued that the coalition around Zaev would endanger the stability and sovereignty of Macedonia. This has further deepened the political crisis. In the end, the EU and US strongly pressured Ivanov to respect the majority of the parliament and let the SDSM form a government. Finally, six months after the elections SDSM formed a government with Albanian parties. Hopes are high with appointment of Zaev as Prime Minister. At the same time, resources are limited. With the struggling economy, it will be challenging to implement left-wing socioeconomic policies. On short term, progress can be made with regard to EU integration (blocked for years by Greece due to the name issue), human rights and press freedom. International actors should show strong support in achieving these goals.

Executive Power

The President of the Republic of North Macedonia represents the Republic of North Macedonia and is the commander-in-chief of its armed forces.³ The President of the Republic of North Macedonia:

- nominates a mandatory to constitute the Government of the Republic of North Macedonia;
- appoints and dismisses by decree ambassadors and other diplomatic representatives of the Republic of North Macedonia abroad;
- accepts the credentials and letters of recall of foreign diplomatic representatives;
- proposes two judges to sit on the Constitutional Court of the Republic of North Macedonia;
- proposes two members of the Republican Judicial Council;
- appoints three members to the Security Council of the Republic of Macedonia;
- proposes the members of the Council for Inter-Ethnic Relations;
- appoints and dismisses other holders of state and public office determined by the Constitution and the law;
- grants decorations and honours in accordance with the law;
- grants pardons in accordance with the law; and
- Performs other duties determined by the Constitution.

The President has no influence over the composition of the government, which is the task of the Prime Minister and the National Assembly. The President is commander-in-chief of the Armed Forces, he appoints and dismisses the Chief of Staff of the Army of the Republic of North Macedonia, appoints and dismissed generals. He is also President of the Security Council of the Republic of North Macedonia.

The President of the Republic is elected for a five-year term in direct, general elections by secret ballot. A person may be elected President of the Republic two times at most. The President of the Republic shall be a citizen of the Republic of Macedonia. A person may be elected President of the Republic if over the age of at least 40 on the day of election. A person may not be elected President of the Republic if, on the day of election, he/she has not been a resident of the Republic of Macedonia for at least ten years within the last fifteen years.

³ <http://pretsedatel.mk/>

National legislature

The Assembly of the Republic of Macedonia is a representative body of the citizens and the legislative power of the Republic is vested in it.⁴ The Assembly adopts the laws on sessions, and the majority necessary for the adoption is stipulated with the Constitution of the Republic of Macedonia. The right to propose adoption of a law is given to every Representative of the Assembly, to the Government of the Republic and to a group of at least 10,000 voters (authorised instances). The initiative for adopting a law may be given to the authorised instances by any citizen, group of citizens, institutions or associations. The procedure for the adoption of laws is stipulated with the Rules of Procedures of the Assembly. According to the Rules of Procedure, the authorised instances submit the law proposal to the President of the Assembly. The President of the Assembly immediately and no later than three (3) working days from the day of the submission, distributes it among the Members of parliament, in writing or in electronic format and by that the legislative procedure begins.

According to the Constitution, The Assembly of the Republic of Macedonia is composed of 120 to 140 Representatives. The Representatives are elected at general, direct and free elections and by secret ballot.⁵ The Representatives for the Assembly are elected for a term of four years. The Assembly of the Republic of Macedonia:

- adopts and changes the Constitution;
- adopts laws and gives the authentic interpretation of laws;
- determines public taxes and fees;
- adopts the budget and the balance of payments of the Republic;
- adopts the spatial plan of the Republic;
- ratifies international agreements;
- decides on war and peace;
- makes decisions concerning any changes in the borders of the Republic;
- makes decisions on association in and disassociation from any form of union or community with other states;
- issues notice of a referendum;

Elections

The most recent elections were meant to take place on 12 April 2020, were consequently postponed due to the coronavirus pandemic and took place on July 15th. An opinion poll from March 2020 showed that the ruling party was neck to neck with its main opponent and the ethnic Albanian campus will have a critical role in the formation of the next government.

These snap parliamentary elections were triggered by the common action of the leaders of parties in the Assembly dissatisfied by the fact that North Macedonia did not get a date for engaging in accession negotiations with the European Union. Tensions arose after the French President Macron opposed enlargement with North Macedonia and Albania. Surveys highlighted that setback on the start of accession talks in late 2019 led to the decline in the belief that the country will access the EU among North Macedonians and that EU membership is the number one issue that politicians should

⁴ <https://www.sobranie.mk/legislative-procedure.nspx>

⁵ <https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/36714/70972/F511737559/MKD36714%20Eng.pdf>

stop talking so much about although 80% of the population support North Macedonia becoming a EU member.⁶

Presidential elections took place from 21 April and 5 May 2019. Results showed that the social democrat candidate Stevo Pendarovski won by 51.66% over the nationalist Gordana Siljanovska Davkova who gathered 44.73 % of all votes. One of the major causes of disagreement between both was the renaming of Macedonia into North Macedonia, which Davkova opposed. Greece vetoed the North Macedonia's NATO membership for this reason, claiming it opened the door for territorial claims.

July 2020 Elections⁷⁸

North Macedonia voted on July 15 for early parliamentary elections. Originally scheduled to be held on April 12 but then postponed because of the outbreak of the coronavirus (COVID-19) pandemic. These elections were very important and significant as they were the first general elections since the Prespa Agreement that constitutionally changed the name of the country, and since North Macedonia joined NATO and was invited to commence EU accession negotiations earlier this year.

The alliance led by the ruling Social Democratic Union of Macedonia (SDSM) secured **35.89%** of all votes to win North Macedonia's July 15 snap parliamentary vote. The pro-EU SDSM, which has been in power since June 2017, was in an electoral alliance with the center-right ethnic Albanian party BESA Movement, as well as representatives and parties of the Turkish, Bosniak, Roman, Ulah, and Serbian communities. The alliance secured **46 seats** in parliament, according to data released by North Macedonia's State Election Commission (DIK).

The alliance led by the opposition Internal Macedonian Revolutionary Organization - Democratic Party for Macedonian National Unity (VMRO-DPMNE) won **34.57%** of the votes and gained **44 seats**. The Democratic Union for Integration (DUI) won **15 seats** with **11.48%** of the votes, while the opposition Alliance for Albanians secured **8.95%** of the votes and **12 seats**.

Socialist party The Left gained **two seats** in parliament with **4.1%** of the votes, while another opposition party, the Democratic Party of Albanians, got **one seat** with **1.53%** of the polled votes. Three Turkish political parties also participated in the elections, with the Turkish Democratic Party and the Turkish Movement Party being a part of the SDSM-led alliance, and the Turkish National Unity Movement joining the alliance led by VMRO-DPMNE.

The data showed **943,750 people** voted in the election, amounting to **52%** of the country's over 1.81 million registered voters, significantly lower than the 66-per cent turnout in the last general elections in 2016. Voting was carried out over three days due to the coronavirus outbreak, with the elderly, patients, and people diagnosed with COVID-19 able to vote from their homes or hospitals on July 13 and July 14.

It can be seen that the Social Democrats (SDSM) turned back to power this election. The pro-Western Social Democratic Party formed their coalition with a smaller ethnic Albanian Party the Democratic Union for Integration also called DUI. With them, the SDSM has 61 Seats, for that reason, another

⁶ <https://balkaninsight.com/2020/03/16/north-macedonia-parties-almost-level-before-election-survey/>

⁷ <https://www.aa.com.tr/en/europe/ruling-partys-alliance-wins-north-macedonia-vote/1922458>

⁸ <https://www.aa.com.tr/en/analysis/analysis-corona-elections-in-north-macedonia-produce-ambivalent-results/1918757>

MP from the small Democratic Party of Albanians party (DPA) will also join the ruling majority with one vote so they get a total of 62 seats in the parliament.

Ali Ahmeti's Democratic Union has given up its previous pre-election demand for an ethnic Albanian premier.

However, the two partners have agreed that the DUI will appoint an Albanian prime minister 100 days before the next general elections.

"I would like to congratulate Ahmeti for the wisdom shown during the coalition talks, all for securing a better future for the country and its citizens," Zaev told a press conference after talks with Ahmeti. Something special is the swap between the former foreign minister, Nikola Dimitrov and the former Vice PM in charge of European integration, Bujar Osmani. Dimitrov has now assumed Osmani's post, allowing Osmani, from the DUI, to become **the first ever ethnic Albanian Foreign Minister of North Macedonia**.

Artan Grubi of the DUI was also appointed First Deputy Prime Minister. The post is seen as a result of compromise between the alliance partners during the government talks that is designed to appease the initial demand of the DUI for the country to have an ethnic Albanian prime minister.⁹

The small lead of Social Democrats might cause an unstable situation in the parliament although Zoran Zaev from SDSM and also Ali Ahmeti from DUI confirmed a positive deal and said that this government will be one of the most successful so far.¹⁰

For more information from [ODIHR SPECIAL ELECTION ASSESSMENT MISSION](#), please click the link.

National government

Executive power is vested in the Government of the Republic of North Macedonia.¹¹ The Government exercises its rights and competence on the basis and within the framework of the Constitution and law. The Government is composed of a Prime Minister and Ministers. The Prime Minister and the Ministers cannot be Representatives in the Assembly. The Government is elected by the Assembly on the proposal of the mandatory and on the basis of the programme by a majority vote of the total number of Representatives.

The Government of the Republic of North Macedonia:

- determines the policy of carrying out the laws and other regulations of the Assembly and is responsible for their execution;
- proposes laws, the budget of the Republic and other regulations adopted by the Assembly;
- proposes a spatial plan of the Republic;
- proposes decisions concerning the reserves of the Republic and sees to their execution;
- adopts bylaws and other acts for the execution of laws;
- lays down principles on the internal organization and work of the Ministries and other administrative bodies, directing and supervising their work;

⁹ <https://balkaninsight.com/2020/08/31/north-macedonia-parliament-confirms-zaevs-return-as-pm/>

¹⁰ <https://balkaninsight.com/2020/08/18/zoran-zaev-to-lead-north-macedonias-government-again/>

¹¹ <https://vlada.mk/?ln=en-gb>

- provides appraisals of drafts of laws and other acts submitted to the Assembly by other authorized bodies;
- decides on the recognition of states and governments;
- establishes diplomatic and consular relations with other states;
- makes decisions on opening diplomatic and consular offices abroad;
- proposes the appointment of ambassadors and Representatives of the Republic of Macedonia abroad and appoints chiefs of consular offices;
- proposes the Public Prosecutor;
- appoints and dismisses holders of public and other office determined by the Constitution and laws; and
- Performs other duties determined by the Constitution and law.
- More information about the Government of the Republic of North Macedonia can be found on the official website of the Government.

Main political parties¹²

Social Democratic Union of Macedonia, SDSM

(46/120 Seats)¹³



The Social Democratic Union of Macedonia defines itself as a center-left party that appertains to social-democratic ideology. It was founded on 21 April 1991 at a party congress as a legal successor to the League of Communists of Macedonia – Party for Democratic Change (SKMPDP). That same year, the party changed its name to SDSM and its ideology from communist to social-democratic. It has participated in all the parliamentary and local elections since the Republic of North Macedonia gained independence. In 1992, after the dissolution of the first expert government, SDSM was given the mandate to form the first political Government of the Republic of Macedonia although it did not have a majority in the Assembly.

Since the last local elections in 2017, SDSM has been power in 57 out of 80 municipalities and the City of Skopje.

At the parliamentary elections in 2020, SDSM leads the coalition “We Can”, including the political party Besa Movement, which is the first pre-election coalition between political parties from the Macedonian and Albanian bloc.

¹² https://idscs.org.mk/wp-content/uploads/2020/07/Prirachnik_za_parlamentarni_izbori_2020_ENG.pdf

¹³ https://drive.google.com/file/d/1WU-xSUKFCM_Zn66fBhtUmeE86Txcjn2s/view

VMRO DPMNE, Democratic Party for Macedonian National Unity

(44/120 Seats)



The political party VMRO-DPMNE (Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity) defines itself as a centre-right people's party rooted in Christian-Democratic ideology. Since the Republic of North Macedonia gained independence, VMRO-DPMNE has been one of the two major political parties. It has participated in almost all parliamentary and local elections, with the exception of the 1994 parliamentary elections, when it boycotted the second round.

VMRO-DPMNE formed the Government for the first time after the parliamentary elections held in 1998, after having won 49 seats in coalition with the Democratic Alternative (13 seats), PDPA-NDP (later on DPA; 11 seats) and several small parties. VMRO-DPMNE remained in power until 2002, however during the conflict, in the period between May and November 2001, a broad coalition government was established, including ministers from SDSM and LDP.

At the 2020 parliamentary elections, VMRO-DPMNE was the leader of the coalition "Renewal of Macedonia", which includes, inter alia, the Citizen Option for Macedonia (GROM), the Movement for Turkish National Union, the Democratic Party of the Serbs in Macedonia, the Democratic Party of the Roma, the Democratic Forces of the Roma, Macedonian Action (MAAK).

Democratic Union for Integration

(15/120 Seats)



Former members of the National Liberation Army (NLA), which initiated the armed conflict in 2001, established the Democratic Union for Integration. Ideologically, DUI proclaims itself as center-left party striving for more rights for the Albanians and the implementation of the Ohrid Framework Agreement. The party was established in 2002 and ran for the parliamentary elections for the first time in the same year, winning a majority of the Albanian electorate's votes and thus securing 16 MP seats. At the parliamentary elections, in 2016, DUI scored a significantly low result and won only 10 MP seats, partly due to the emergence of the parties Alliance for the Albanians and BESA, as well as the voter migration towards SDSM. In 2020, compared to 2016, DUI increased its number of seats again by five.

The Alliance for the Albanians (Aleanca për Shqiptarët)¹⁴ (12/120 Seats)



The Alliance for the Albanians is a centre-right political party founded in 2015 in the Republic of Macedonia and led by Ziadin Sela MP. The party has as its main goal the achievement of the full national equality between Albanians and Macedonians in all fields, from investments, to institutional representation, fair access to state institutions, employment, infrastructure and increase of the level of national awareness. The Alliance

for the Albanians ran for the first time at the municipal level in Macedonia at the November 2017 local election. Well aware of the many challenges faced by our society in a prolonged socio-economic transition, the Alliance for the Albanians strives for and believes in a multi-ethnic, European, democratic and social governance model that can and should guarantee a better life for all citizens, as a pre-condition for sustainable economic development and political stability.

Levica-The Left (2/120 Seats)



The Left is a political party established at the end of 2015. The party adheres to leftist ideology and strives for leftist values, such as anti-capitalism, anti-nationalism, anti-militarism, anticlericalism, and anti-conservatism. The party focuses on workers' rights and basic human rights. It primarily advocates the rights of the poor, underprivileged, marginalised, and disenfranchised. The Left ran

on its own at the 2016 elections and won 12,120 votes (1.02%). At the 2017 local elections, the party managed to win three councillor seats, one in the City of Skopje's Council, and two in the municipalities of Karpoš and Rosoman.

The establishment of the political party the Left was initiated by members of the Movement for Social Justice "Lenka", members of the leftist movement "Solidarity" and members of the Communist Party of Macedonia, trade unionists, activists, and individual leftists.

Democratic Party of Albanians, DPA (1/120 Seats)



The Democratic Party of the Albanians was established in June 1997, as a result of the unification of the Party for Democratic Prosperity of the Albanians (PDPA) and the People's Democratic Party (NDP). PDPA was established in 1994, after the radical wing of the Party for Democratic Prosperity (PDP) under Arben Xhaferi and Menduh Thaçi left the mother party. DPA identifies as a centre-right party and advocates more rights of the Albanians in North Macedonia, as well as a redefinition of the constitutional framework set by the Ohrid Framework Agreement. The president of DPA is Menduh Thaçi. He was elected to this position

on 30 June 2007 after the resignation of his predecessor, Arben Xhaferi.

¹⁴ <https://www.aleanca.eu/en/about-us/>



EPFMA
PEAAD

III Political System in North Macedonia

1. Presentation of the North Macedonian Political System

2. North Macedonian Political Actors in 2020

North Macedonian Political Actors in 2020

The president: Stevo Pendarovski



Date of birth: 3 April 1963

Place of birth: Skopje, North Macedonia

Education¹⁵

2006-2008 Ph.D. in “EU Foreign and Security Policy and Small States: Framework of the National Discourse”, Institute for Political, Legal and Sociological Research, University Ss. Cyril and Methodius, Skopje

2004-2006 M.A. in “New Geopolitics of the Republic of Macedonia: Contradictions between Communist and Transitional Matrices”,

Institute for Political, Legal and Sociological Research, University Ss. Cyril and Methodius, Skopje

1983-1987 B.A. Faculty of Law 'Iustinianus Primus', University Ss. Cyril and Methodius, Skopje

Work Experiences (academic, research, other)

2012 - Present Associate professor at the University American College Skopje

2008-2012 Assistant professor at the University America College Skopje

Administrative duties

2005-2009 Chief Foreign Policy Advisor to the President of the Republic of Macedonia

2004-2005 President of the State Election Commission

2001-2004 National Security Advisor to the President of the Republic of Macedonia

1998-2001 Head of Analytical and Research Department in the Ministry of Interior Affairs

He is currently coordinator for NATO membership in the government.¹⁶

¹⁵ <https://www.uacs.edu.mk/home/wp-content/uploads/2016/05/Stevo-Pendarovski-CV-1.pdf>

¹⁶ <https://en.albanianews.it/topic/stevo-pendarovski>

Prime Minister - Zoran Zaev¹⁷



Date of birth: 08.10.1974

Place of birth: Strumica, North Macedonia

Education

In 1997, Zaev graduated from the Faculty of Economics within Skopje University "St. Cyril and Methodius" where he continued his education on postgraduate studies of Monetary Economics and Finance.

Work Experience

Inspired by the business success of his uncle, he immediately started working in a family-owned trading company - "Trgoprodukt", where he progressed to the managerial position in 5 years. Additionally, he was a member of several boards of companies, banks, and public enterprises. Zoran Zaev has been a party member of the Social Democratic Union of Macedonia (SDSM) since 1996, while in the period 2003 – 2005 he was a Member of Parliament in the Assembly of the Republic of Macedonia. In 2006, he was elected vice-president of the SDSM Central Committee; in 2008, he became the Acting President of the Party. As of 2013, Zoran Zaev has been the leader of SDSM.

As the leader of the political opposition in the country, Zoran Zaev became the synonym of bravery and the frontrunner in the fight for justice, freedom, and democracy.

In February 2015, Zaev started the project "The Truth about Macedonia" by publishing the wiretapped material unveiling the criminal activities of the government led by Gruevski. The resistance towards the autocratic government continued with his and SDSM's active role in the Freedom Camp, which was a protest movement enticed by The Citizens for Macedonia - informal coalition of political parties and civic organizations working jointly to restore democracy in the society and revitalize the public institutions in service of the citizens.

On May 17th 2015, this movement organized the historically biggest non-party and civic protest in Skopje with more than 100.000 citizens in front of the Government. Zoran Zaev created and promoted the concept of "One society for all", as a mosaic of shared living of various cultures and communities in the country, announcing, thus, the future development of North Macedonia as place for life of all citizens, regardless of ethnic, political or other determination. This unifying concept has been the driving force behind the victory of SDSM at parliamentary elections in 2016, for the convincing victory on the local elections in 2017 as well as for the win of Stevo Pendarovski at the presidential elections in 2019.

After the "Przino agreement" and the parliamentary elections in 2016, followed by a difficult period of political turmoil, including the violent incident in the Parliament, on May 31, 2017, Zoran Zaev

¹⁷ <https://vlada.mk/node/14652?ln=en-gbs>

was elected Prime Minister of the Republic of Macedonia and got the mandate from the citizens to lead the new reform-oriented government.

At the end of the second year of the term of Zaev's Government, the European Commission published the historically most positive report on the country's progress. The Report notes the deep reforms conducted in the country using political dialogue and cooperation with all political parties in the parliament, especially with the opposition.

Prime Minister Zaev in the beginning of his term started leading the country towards the Euro-Atlantic integration focusing on good-neighbourly politics and restoring the trust of our strategic partners from the EU and the USA.

Because of these intensive activities in August 2017, the Agreement for Strategic Partnership, Friendship and Good-Neighbourliness was signed with the Republic of Bulgaria, while in June 2019 in Prespa; the historic agreement with Republic of Greece was signed for resolution of the name issue of our country and for establishment of friendship and cooperation.

With the solutions stipulated in the Prespa Agreement, our country accepted the name Republic of North Macedonia while Greece recognized that the citizens of our country have their full right to call themselves Macedonians who speak Macedonian language.

In 2019 Prime Minister Zaev, together with his colleague Tsipras were officially nominated for Nobel Peace Prize.

Deputy Prime Minister in charge of European Integration: Nikola Dimitrov¹⁸ (SDSM)



Date of Birth: 30 September 1972

Place of Birth: Skopje

Education

In 1998, Minister Nikola Dimitrov acquired a Master of Law Degree at the University Of Cambridge, United Kingdom. In 1996, he graduated from the Faculty of Law (University of Ss. Cyril and Methodius) in Skopje. He was awarded "26th July" award from the Frank Manning Foundation. In 2012, he took part in professional training at the Harvard Kennedy School of Administration.

Work experience

Being a professional diplomat since 1996, Dimitrov has an extensive diplomatic career. He was a Deputy Minister of Foreign Affairs of the Republic of Macedonia in 2000 and an ambassador extraordinary and plenipotentiary to the USA (2001-2006) and the Kingdom of Netherlands. In the period 2009-2014, he was a Permanent Representative to the OPCW.

¹⁸ <https://vlada.mk/node/17569?ln=en-gb>

In the period 2003-2008 Minister Dimitrov was Special Envoy in the talks for overcoming the name differences under the auspices of the United Nations while in the period 2008-2011 he was a co-representative of the Republic of Macedonia before the International Court of Justice in the case against Greece (Application of the Interim Accord of 1995).

Some of his more important professional engagements include the following: National Coordinator for the integration into NATO (2006-2009), Special Envoy of the Government for European and Euro-Atlantic integrations in Brussels, Kingdom of Belgium (2007-2008), as well as National Security Adviser to the President (2000-2001).

In June 2017, Dimitrov was appointed Deputy Prime Minister in charge of Foreign Affairs.

Other professional activities of Minister Dimitrov are as it follows: prominent member of the Hague Institute of Global Justice, Hague, Netherlands (2014-2017), Member of the Permanent Court of Arbitration, Hague, Netherlands (as of 2011), Member of the Advisory Board EUROPEINC – European Strategies Center (as of 2016), Member of Balkans in Europe Policy Advisory Group, European Fund for Balkans and Center on SEE Studies within the University in Graz, Austria and a member of the Management Board, Integrated Education Foundation (as of 2015), and a Demonstrator on the Faculty of Law within the University “Ss. Cyril and Methodius” on the subjects International Public Law and International Human Rights Law (1996-2001).

Minister of Foreign Affairs: Bujar Osmani¹⁹

(DUI)



Date of birth: 11 September 1979

Place of birth: Skopje

Education

He graduated at the medical Faculty in Skopje in 2004. He completed part of his specialization in hepatotoxic pancreatic surgery in London, the United Kingdom in the period 2006-2007, and in 2012 was awarded the title specialist surgeon. Osmani is a doctoral student at the School of Doctoral Studies at the "St. Cyril and Methodius" University in Skopje since 2014.

Work experience

Osmani began his work experience in 2004 as a doctor of medicine at the University Clinic for Surgical Diseases "St. Naum Ohridski" in Skopje. That same year, he held lectures at the secondary medical school "Dr. Panche Karagazov" in Skopje.

In 2008, he was appointed Minister of Health of the Republic of Macedonia, performing this function until 2011. Since 2011, he is a Specialist Surgeon at the University Clinic for Digestive

¹⁹ <https://vlada.mk/node/14655?ln=en-gb>

Surgery - Skopje. In 2011, he was also appointed Secretary of Public Communication of the Presidency of the Democratic Union for Integration.

In June 2017, Osmani was appointed Deputy Prime Minister in charge of European affairs.

Bujar Osmani is married, father of two. He speaks Albanian (native language), Macedonian, English and some French.

The composition of parliamentary committees was approved on 14 September 2020.

The Committee on European Affairs will have its first meeting on 5 October.

Chair of the Committee on European Affairs/Ex officio Member of the National Council of EU Integration: Dr. Arbr Ademi

(DUI)



Dr. Arbr Ademi was born on September 25, 1985, in Kumanovo, Northern Macedonia. He completed primary school at the school "Marshali Tito", in Opoja, Lipkovo, in the period 1992-2000, in high school at the gymnasium "Goce Delvec", in Kumanovo, in the years 2000-2004. He speaks three languages: Albanian (mother tongue), Macedonian and English. In 2004, he started his studies at the Faculty of Law, at the State University of Tetova, which he completed with an average grade of 9.74.

Ademi continued his postgraduate studies in Law - Civil Law, in the Faculty of Law at the State University of Tetova, with an average grade of 9.85. In the period 2011-2015, he continued his doctoral studies at the Faculty of Law at the University of Tirana, Albania, where he received the title of Doctor of Legal Sciences, with the doctoral thesis: "*Resolution of commercial disputes before international commercial arbitration*".

In 2009, he took the position of Vice Dean for Educational Affairs at the Faculty of Business Administration, University of Tetova.

In the period April-October, 2010, Ademi was in the position of advisor to the Minister of Labor and Social Policy, while from July of the same year he was promoted to full-time assistant at the Faculty of Law, at the State University of Tetova. During 2013 he was a member of the group of experts for the preparation of amendments to the legislation on equitable regional development, as well as a member of the working group for the preparation of the new law on general administrative procedure.

In the period 2016-2017, he was Deputy Prime Minister of the Government of the Republic of Northern Macedonia, engaged in European Affairs, and in 2017-2018 was first Deputy Minister in the Ministry of Education and Science and then Minister of Education and Science from 2018 until the elections in 2020.

Chair of the Committee on Foreign Policy / Ex officio Member of the National Council of EU Integration: Dr. Milošoski Antonijo

(VMRO-DPMNE)



Born on 29 January 1976 in Tetovo. Macedonian.

In 1994 he graduated from the high school "M. Milevski ", Kicevo, and in 1999 graduated from the Faculty of Law in Skopje. In the period 2001 - 2002, he obtained a Master's Degree in European integration at the Friedrich Wilhelm University in Bonn, Germany. Since November 2002, he has been a PhD student and obtained his Doctoral Degree in Political Science at the Gerhard Merckator University in Duisburg, Germany, where he worked as a research associate until 2006, when he was first elected Member of the Parliament of the Republic of Macedonia. He was then

the Minister of Foreign Affairs of the Republic of Macedonia from 2006 to 2011. He served as the Head of the OSCE/ODIHR Election Observation Mission for Belarus in September 2012.

IV Economic Situation in North Macedonia

1. The World Bank in North Macedonia- Country Snapshot

2. Economist Intelligence Unit - Country Report

COUNTRY CONTEXT²⁰

	2019
Population, million	2.1
GDP, current US\$ billion	12.6
GDP per capita, current US\$	6,058
Life Expectancy at Birth, years (2018)	76

The historic resolution of the long-standing name dispute with Greece has opened new opportunities for North Macedonia. The country is currently in the process of acceding to the North Atlantic Treaty Organization (NATO), while in mid-October, it expects a decision from the Council of the European Union (EU) on opening accession negotiations. North Macedonia can use the EU accession process to complete its transition to a well-functioning market economy, strengthen its institutions and the rule of law, and enhance service delivery and the needed infrastructure. In the past two decades, its economic growth was the most stable in the Western Balkans, income per capita doubled, and the country moved from low-middle- to upper-middle-income status. Its strategic geographic location is also a major asset, given the largely untapped export potential of its agriculture and services sectors.

However, the transition to a well-functioning and inclusive market economy is not yet complete. The low and declining productivity of local firms, weak state institutions, and deficiencies in competition and investment policy and business regulation continue to pose serious structural challenges. A competitive business legal framework has yet to translate into a vibrant private sector that can fully exploit the country's location. In addition, the Government has limited fiscal space to continue to stimulate the economy, and there are risks to fiscal sustainability that need to be addressed. Educational achievement is insufficient and unequitable, limiting the availability of skills to meet the evolving demands of a modern economy and creating inequality in access to economic opportunities. Finally, climate and environmental threats, including air pollution, require urgent attention or they may slow economic growth and reverse poverty reduction. The reform agenda, outlined in the Government Program 2017–20, focuses on economic growth, job creation, fair taxation, support to small and medium enterprises, and reform of social protections for the most vulnerable. Some reforms, such as enforcing budget transparency and strengthening the social safety net, have already been launched.

The strategic objective of the **new Country Partnership Framework (CPF) for FY2019–23** is to support North Macedonia's ability to achieve faster, inclusive, and sustainable growth and provide its citizens with greater opportunities for a better life. The CPF aims to support the Government's program and medium-term strategy, which present a vision of accelerated economic growth with better employment opportunities, social cohesion and inclusion, and a plan to tackle the persistent bottlenecks. The Government's strategy is consistent with the recently completed Systematic Country Diagnostic vision of a better-connected, vibrant domestic economy engaged in the region and beyond as it secures its footing.

The new CPF is based on three interconnected focus areas that will help North Macedonia achieve faster, more inclusive, and sustainable growth. Focus Area I aims to remove some of the bottlenecks that prevent the emergence of a dynamic and competitive private sector by improving connectivity

²⁰ <https://www.worldbank.org/en/country/northmacedonia/overview>

and access to markets through activities that support “hard” and “soft” trade networks and strengthen local firms’ technological uptake, innovation, access to finance, and capacities. Focus Area II will support the development of human capital and skills to boost labor productivity and encourage more inclusive labor market participation. The CPF will also improve the quality and relevance of education, as well as the access to and quality of social services. Focus Area III will support efforts to mitigate fiscal and environmental vulnerabilities and enhance sustainability by strengthening public financial management and accelerating the transition to a more sustainable energy mix in areas of strong comparative advantage.

The World Bank and North Macedonia

The strategic objective of the Country Partnership Framework (CPF) for the FY19–23 period is to support North Macedonia’s ability to achieve faster, inclusive, and sustainable growth and provide its citizens with greater opportunities for a better life.

Key Engagement

The World Bank is mobilizing several instruments, both financial and technical assistance, to support North Macedonia’s efforts to manage and mitigate the impact of the COVID-19 pandemic. In terms of financial assistance, the Bank is helping North Macedonia to access the emergency fast-track facility created to support countries’ response to the COVID-19 emergency. These funds, which should be available at the end of the month, will be used to address urgent health sector priorities and protect household income, in particular that of the most vulnerable. Together with the Ministry of Finance, the World Bank is also analysing the overall portfolio of approved projects in the country to identify funds still unallocated that could be redirected to crisis management and post-crisis economic recovery.

As part of this effort, the Bank is exploring the activation of a special window for emergencies that is embedded in one of the recently approved operations (the Local Roads Project). The goal is to mobilize the rapid disbursement of funds in support of small and medium enterprises (SMEs) that have been negatively impacted by the public health measures and by depressed demand, both domestically and from abroad. Collectively, these programs are expected to mobilize roughly €140 million. The Country Partnership Framework (CPF) aims to improve the environment for a competitive private sector by boosting connectivity and improving access to markets, helping businesses become more innovative, productive, and competitive, and creating more and better jobs. The Western Balkan Trade and Transport Facilitation Project, approved in 2019, will improve connectivity and integration with regional and EU markets, reduce trade costs, and increase transport efficiency. In addition, the new Agriculture Modernization Project will improve access to modern agricultural services, thus benefiting 1,000 farmers, including by establishing collection and conditioning centers for fruits and vegetables.

The CPF is also designed to support investments in human capital, with a focus on improving education and skills training, providing better access to social services for the most vulnerable, and encouraging more inclusive participation in labour markets. Some of these goals are being achieved with a contribution from the active portfolio, e.g., the Skills Development and Innovation Support Project, through which secondary technical and vocational education students benefit from practical training in SMEs and large firms. A new education project currently under preparation will improve conditions for acquiring key skills in primary education. The emphasis is on improving the teaching and learning environments in order to enhance what students learn in the classroom.

The most vulnerable households will be protected by a contribution from the Social Services Improvement Project, which will support the creation and expansion of preventive and non-residential social services. The sustainability of pensions in an aging society will be guaranteed by the Social Insurance Administration Project, which will help to modernize pension administration. Finally, the CPF is reinforcing fiscal and environmental sustainability by strengthening public financial management and accelerating the country's transition to a more sustainable energy mix. For example, the new Organic Budget Law and public financial management reforms will prevent the re-emergence of arrears accumulation and strengthen the monitoring of fiscal risks.

Furthermore, the Public Sector Energy Efficiency Project will directly contribute to the reduction of CO2 emissions by retrofitting public buildings to improve energy efficiency, including municipal and central government buildings as well as public lighting.

Recent Economic Developments

The economy expanded in 2019, reaching 3.6 percent compared to 2.7 percent in 2018. The main contributors to growth were wholesale and retail trade (propelled by rising employment and wages), followed by construction activities (both private and public investments) and real estate services, together accounting for 1.7 percentage points of overall growth.

Agriculture and public services contributed 0.3 percentage points each, while manufacturing had a neutral contribution to growth. On the demand side, the main contribution to growth came from private consumption's 2.6 percentage points, spurred by rising wages, pensions, and household borrowing. Investments added another 2.1 percentage points, while net exports subtracted from growth.

The labor market continued to improve. Employment went up by 5.1 percent year-on-year (y-o-y) in 2019, more than doubling the 2018 growth. The employment rate increased to 49.9 percent—up by 4 percentage points—while unemployment fell to 16.6 percent in the fourth quarter of 2019 (with an annual average of 17.3 percent), another historic low. There were labor shortages in the most dynamic regions around technological zones, which contributed to wage pressures. The average gross wage increased by 4 percent y-o-y in real terms due to minimum wage and public sector wage increases. The highest increases were in public services, transport, construction, and agriculture.

Using the US\$5.5/day (2011 purchasing power parity) line, poverty is projected to have fallen to 16.9 percent in 2019, continuing a decreasing trend since 2009. Higher employment and labor earnings, together with higher incomes from pensions and social transfers, have been critical to reducing poverty. A solid increase in incomes for the less well-off is behind this recent poverty reduction; income growth for the bottom 40 percent was about 7 percent between 2012 and 2017.

This also contributed to a significant reduction in inequality, from about 42 to 34.2 Gini points between 2009 and 2017. Yet, despite this reduction in poverty, a large share of the non-poor population remains vulnerable and at risk of falling into poverty if hit by a shock.

Despite the rise in revenues, the fiscal deficit widened in 2019. Revenues increased by 8.2 percent y-o-y in 2019 due to social contributions (+10 percent y-o-y as pension and health rates increased in January 2019), personal income tax (a higher rate was introduced in January and abolished in September), value added tax, and one-off non-tax revenues. However, public spending went up by 8.7 percent y-o-y due to rising pensions, wages, operations and maintenance, and employment

subsidies. Capital spending, even though again significantly under-executed, increased by 50 percent compared to the historic low in 2018. The general government deficit with the state road enterprise stood at 2.1 percent of GDP, up from 1.1 percent in 2018. Public and publicly guaranteed debt increased slightly to 48.9 percent of GDP from 48.6 percent in 2018.

Economic Outlook

On March 18, 2020, the president declared a state of emergency and announced measures to contain the impact of the coronavirus crisis. Snap elections that were originally expected in April have been postponed. The economy is facing a recession, with negative growth for 2020 projected at -1.4 percent under the assumption that the crisis will end by end-June and the economy will be returning to normal. Personal consumption is expected to slow down significantly compared to 2019, while exports and investments will decline. On the other hand, government consumption could ramp up in an attempt to boost the economy and counter the adverse impacts of the pandemic. Increased government spending will result in higher deficit and debt levels at a time when financing conditions (both domestic and external) may tighten. A budget revision needs to reprioritize spending. Poverty reduction gains will likely be lost as firms defer to labor shedding in the most affected sectors (tourism and manufacturing, which contributed the most to poverty reduction in the past). Once the immediate crisis is over, NATO accession and the launch of the accession negotiations with the EU should help accelerate a recovery in 2021.

Under this scenario, growth is expected to recover in 2021 to 3.7 percent as consumer and investor confidence is restored, resulting in rising personal consumption and a recovery of private investments. Poverty may resume its decline, reaching 15.6 percent by 2022, given the expected real wage growth and the improvement in the labor market.

KEY ENGAGEMENT

Public Finance and Competitiveness Development Policy Loan

The Public Finance and Competitiveness Development Policy Loan supports the Government in reforms to improve the management and transparency of public finances and make public spending more efficient, especially spending on social protection, while also making the tax system more equitable. It supports reforms in energy by unlocking the energy sector monopoly and boosting renewables. It also improves public procurement by increasing the access of private sector bidders to public tenders and boosts market competition by introducing risk-based inspections that would reduce the time firms spend dealing with inspections.

Actions taken by the Government under this program include:

1. Amending the Law on Pension and Disability Insurance, the Law on Compulsory Capitally Funded Pension Insurance, and the Law on Compulsory Social Insurance Contributions to introduce the price indexation of benefits, harmonize the accrual rates, and create a higher pension contribution rate, all to improve the fiscal and social sustainability of the multi-pillar pension system;
2. Enacting the Law on Social Protection and amending the Law on Child Protection to consolidate social assistance benefits, expand the coverage of the bottom quintile, and protect the energy poor, while maintaining good targeting accuracy through the introduction of a guaranteed minimum assistance program;
3. Enacting the Energy Law to deregulate electricity generation, open the electricity supply market to all customers, and introduce a competitive support mechanism for renewable energy generation;

Enacting the Inspection Supervision Law to introduce: (a) risk-based inspections; (b) a provision for inspectors to issue warnings; and (c) a grace period for businesses to correct first-time infractions.

Growth in 2019, at 3.6 percent, surprised on the upside, and unemployment declined to another historical low as employment increased. Yet, the near-term outlook – similarly to other countries in the region – is dim due to the COVID-19 crisis, with the economy going into recession in 2020.

The pandemic and containment measures will affect the economy, through both the demand and supply side. Consequently, this will also affect the services sectors with close ties to manufacturing. If the outbreak and restrictive measures on national and global economies persist beyond the second quarter, the recession will be more severe and will erase labor market improvements and deepen fiscal vulnerability.

IV Economic Situation in North Macedonia

1. The World Bank in North Macedonia- Country Snapshot

2. Economist Intelligence Unit - Country Report

In brief²¹

The government declared a state of emergency in response to the coronavirus epidemic and suspended the snap election scheduled for April 12th. The lockdown measures taken to combat the coronavirus and a deep global slump will derail the economy, and we forecast a recession in 2020. An invitation to begin EU accession negotiations in 2020 may not be enough to secure victory for the outgoing Social Democratic Union of Macedonia when the election is held, especially if the crisis is protracted.

Political and economic outlook

- Following the French veto in October 2019 on opening EU accession negotiations, the prime minister of North Macedonia, Zoran Zaev, proposed a snap election for April 12th 2020, eight months ahead of schedule.
- We expect Mr Zaev's Social Democratic Union of Macedonia (SDSM) to be defeated in the election by the nationalist, opposition VMRO-Democratic Party for Macedonian National Unity (VMRO-DPMNE).
- The electorate may punish the government for failing to do enough to tackle corruption and for pushing through the unpopular Prespa agreement, under which the formerly named Macedonia changed its name to the Republic of North Macedonia.
- The Economist Intelligence Unit expects North Macedonia to join NATO in early 2020, but does not expect it to open EU membership talks in 2020, given a failure to enact some reforms and France's opposition to the existing accession process.
- The failure to open accession talks and uncertainty surrounding the outcome of the forthcoming election are likely to deter public and private investment, constraining growth at 3.3% in 2020, following estimated real GDP growth of 3.3% in 2019.
- We expect GDP growth to average 3.2% per year in 2020-24 (the forecast period), driven by steady growth of household and government consumption.
- We expect the current-account deficit to average 1.9% of GDP in 2020-24, when wide trade deficits will be partly offset by secondary income surpluses.

Key indicators

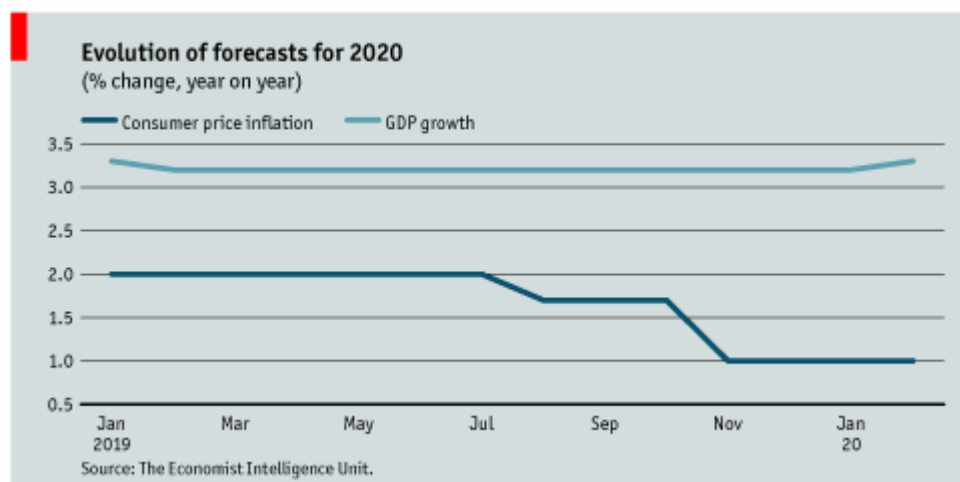
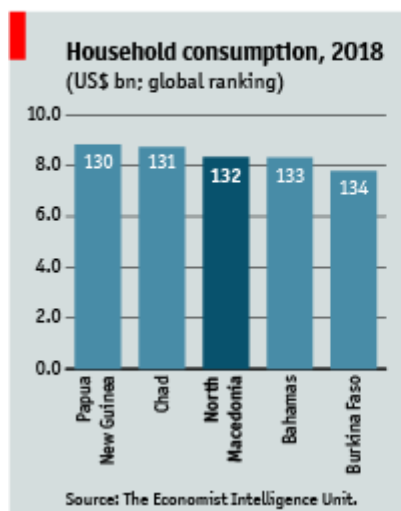
	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Real GDP growth (%)	3.3	3.3	3.3	3.2	3.2	3.0
Consumer price inflation (av; %)	0.8 ^c	1.0	2.0	2.1	1.9	1.9
Government balance (% of GDP)	-2.0	-2.5	-2.5	-2.5	-2.4	-2.4
Current-account balance (% of GDP)	-0.4	-1.7	-1.9	-2.0	-1.9	-1.8
Money market rate (av; %)	2.3 ^c	2.0	2.3	2.5	2.8	3.0

²¹ <https://country.eiu.com/north-macedonia>

Unemployment rate (%)	17.1	16.7	16.1	15.6	15.1	14.7
Exchange rate Den:US\$ (av)	54.95 ^c	54.70	53.18	51.09	49.75	49.65

^a Economist Intelligence Unit estimates. ^b Economist Intelligence Unit forecasts. ^c Actual.

Market opportunities



Key changes since November 21st

- Mr Zaev resigned as prime minister, and parliament approved the formation of a caretaker transitional government to oversee the April 12th election. The cabinet remains mostly unchanged except for the inclusion of ministers from the main opposition party.
- Surveys suggest that the margin of support for the two main parties, the outgoing SDSM and the nationalist opposition VMRO-DPMNE, is small; however, we expect the opposition party to capitalise on voter dissatisfaction and win the election.

- Real GDP growth remained strong, at 3.6% year on year in the third quarter of 2019. However, private consumption growth slowed to less than 3%. We expect further slowing in the fourth quarter and estimate that real GDP growth averaged 3.3% in 2019.
- The National Bank of the Republic of North Macedonia (NBRM, the central bank) cut its main policy rate to 2% in January. The NBRM cited the low inflation environment and external risks. We forecast that the NBRM will refrain from further monetary loosening.

The quarter ahead

- **March 6th—Real GDP (Q4):** Real GDP growth averaged 3.6% in January-September 2019. Although we expect a slight deceleration in the fourth quarter owing mainly to strong import demand, high-frequency indicators point to risks being to the upside. A stronger than expected performance would lead us to revise up our growth forecast for 2020.
- **March 9th—Consumer price inflation (February):** Although inflation in 2019 was benign, at 0.8%, it accelerated in the fourth quarter and ended the year at 1.8%. The February reading will give a good picture of whether this trend is continuing. If it remains elevated, we will stick with our call that the NBRM is done cutting interest rates.
- **April 12th—Parliamentary election:** There is a high risk that the social democratic coalition will be defeated at the snap election. If replaced with a nationalist government, policy is likely to be much less focused on EU membership. Progress on governmental and judicial reform would also probably stall.

Major risks to our forecast

Scenarios, Q3 2019	Probability	Impact	Intensity
The EU's recommendation to open accession talks is delayed	Very high	High	20
Political tensions, nationalist disputes and inflammatory actions lead to violent protests	High	Very high	20
Future governments backtrack on efforts to boost judicial independence	High	High	16
A renewed political crisis hits economic growth	Moderate	Very high	15
The impact of a natural disaster is exacerbated by corruption and ineffectiveness in the public administration	Moderate	Very high	15

Note. Scenarios and scores are taken from our Risk Briefing product. Risk scenarios are potential developments that might substantially change the business operating environment over the coming two years. Risk intensity is a product of probability and impact, on a 25-point scale.

Source: The Economist Intelligence Unit.

Basic data

Land area

25,713 sq km

Population

2,085,051 (UN, 2018)

Main towns

Population in '000 (2002 census)

Skopje (capital): 467.3

Kumanovo: 103.2

Bitola: 86.4

Prilep: 73.4

Tetovo: 70.8

Veles: 57.6

Climate

Continental

Weather in Skopje (altitude 240 metres)

Hottest month, August, 25°C (average); coldest month, January, 1°C (average); driest month, February, 20 mm average rainfall; wettest month, April, 65 mm average rainfall

Languages

Macedonian (official); minority languages include Albanian (in official use where more than 20% of population is Albanian-speaking), Serbo-Croat, Turkish and Roma

Weights and measures

Metric system

Currency

The denar was introduced on May 10th 1993. The National Bank of the Republic of North Macedonia (NBRM, the central bank) has a target rate for the denar against the euro

Time

One hour ahead of GMT in winter; two hours ahead in summer

Fiscal year

Calendar year

Public holidays

January 1st (New Year), January 7th (Orthodox Christmas), April 19th-20th (Orthodox Easter), May 1st (Labour Day), May 24th (Saints Cyril and Methodius Day), May 23rd-24th (Ramazan Bajram), August 2nd (Ilinden uprising/Day of the Republic), September 9th (Independence Day), October 11th (People's Uprising against Fascism), October 23rd (Revolution Day), December 8th (Saint Kliment Ohridski)

Political structure**Official name**

The Republic of North Macedonia

Form of state

Democratic parliamentary republic

Legal system

Based on the constitution of November 17th 1991

National legislature

Unicameral Assembly (Sobranie) of 120-123 members

Head of state

President; Stevo Pendarovski

National government

Council of Ministers, headed by the prime minister. A caretaker government led by the Social Democratic Union of Macedonia (SDSM) with participation of the opposition was approved on January 3rd 2020 to govern for the 100 days leading up to the election

Speaker of parliament

Talat Xhaferi (DUI)

Central bank governor

Anita Angelovska-Bezhoska

Political stability

The Economist Intelligence Unit expects the political environment to remain polarised over the forecast period, especially if the nationalist opposition VMRO-Democratic Party for Macedonian National Unity (VMRO-DPMNE) is returned to power at the snap parliamentary election on April 12th 2020, which we believe is likely.

A coalition government, led by the Social Democratic Union of Macedonia (SDSM), was in power from May 2017 to December 2019, but gave way to a caretaker successor during the pre-election period. The SDSM faces a difficult challenge to win the election following its failure to secure the opening of EU accession negotiations in October 2019. Zoran Zaev, the previous prime minister and leader of the SDSM, proposed snap elections after the European Council failed in October to invite North Macedonia to start accession negotiations.

According to the law, to ensure a level playing field between incumbents and opposition—and to prevent potential pre-electoral abuse of power and clientelism by the ruling parties—elections are being organised by a caretaker government, which was approved by parliament on January 3rd, 100 days before the election. The ruling SDSM put forward Oliver Spasovski, the former interior minister, as interim prime minister. The current government comprises most of Mr Zaev's cabinet, but—as required by law—also includes interim ministers for the interior, and labour and social affairs, proposed by the largest opposition party—the VMRO-DPMNE—as well as opposition deputy ministers appointed to other major ministries.

With only about a month to go before the planned dissolution of parliament on February 12th, the SDSM and the VMRO-DPMNE were still arguing over the enactment of a new public prosecution law that requires a two-thirds majority to pass. With the VMRO-DPMNE demanding radical changes, the SDSM threatened to postpone the dissolution of parliament (and potentially the elections) until a consensus was reached on the legislation, which was high on the EU's list of required reforms. A postponement of the election would precipitate a political crisis, and the SDSM will want to avoid this outcome. However, failure to pass the legislation would set back the country's chances of receiving the green light to open accession talks.

Forecast summary

(% unless otherwise indicated)

	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Real GDP growth	3.3	3.3	3.3	3.2	3.2	3.0
Industry (excl. construction)	6.2	3.8	4.5	5.0	5.5	6.5
Agriculture	2.5	2.5	2.5	2.5	2.5	3.5

Consumer price inflation (av)	0.8 ^c	1.0	2.0	2.1	1.9	1.9
Consumer price inflation (end-period)	0.4 ^c	1.8	2.0	2.0	1.9	1.9
Central bank 28-day bill rate (av)	2.3 ^c	2.0	2.3	2.5	2.8	3.0
General government balance (% of GDP)	-2.0	-2.5	-2.5	-2.5	-2.4	-2.4
Exports of goods fob (US\$ m)	6,081	6,575	7,350	8,199	9,163	10,231
Imports of goods fob (US\$ m)	-8,135	-8,854	-9,807	-10,954	-12,185	-13,435
Current-account balance (US\$ m)	-52	-216	-270	-313	-318	-320
Current-account balance (% of GDP)	-0.4	-1.7	-1.9	-2.0	-1.9	-1.8
External debt (year-end; US\$ bn)	9.3	9.8	10.0	10.6	11.1	11.5
Exchange rate Den:US\$ (av)	54.95 ^c	54.70	53.18	51.09	49.75	49.65
Exchange rate Den:€ (av)	61.52 ^c	61.53	61.56	61.56	61.56	61.56
Exchange rate Den:€ (end-period)	61.73 ^c	61.51	61.54	61.54	61.55	61.55

^a Economist Intelligence Unit estimates. ^b Economist Intelligence Unit forecasts. ^c Actual.

Policy trends

EU membership is not a realistic prospect in the next five years, and official policy on EU integration will depend on the results of the April election. The lure of EU membership has been a driving force for reform and the direction of policy in recent years. During its tenure (May 2017-January 2020) the SDSM-led government of Mr Zaev made a concerted effort to restart the reform agenda, which had slowed under the previous VMRO-DPMNE government and finally come to a halt during the two-year political crisis in 2015-17. The government undertook institutional and governance reforms and also took steps to strengthen the public finances by improving the framework for spending on welfare and pensions, and making the tax system more equitable. The government's 2019-21 Economic Reform Programme, which has served as part of its EU pre-accession process, is aimed at supporting job creation as well as small- and medium-sized enterprises, and boosting wages and social protection. A central policy goal has been to promote foreign direct investment (FDI) in export-oriented industries.

Even if EU talks are on indefinite hiatus, in 2020-24 policy priorities will include capital spending on energy and transport infrastructure—particularly motorway construction—and increased social spending on pensions and youth-employment programmes, which will boost incomes. The authorities will also focus on clamping down on tax evasion and continue to promote FDI. Maintaining good relations with multilateral organisations—particularly the IMF—will help to keep policy on the right track.

V North Macedonia's Human Rights Situation

Recent Updates

Crisis management

In a similar manner as in Hungary, the North Macedonia's state of emergency to tackle the COVID pandemic was criticized as an opportunity for governments to weaken institutions in an attempt to get a tighter grip on power.²² Although the government argues that these measures do not affect the population's right to information, it was exposed that institutions are less responsive to media requests. Institutions explained that delay with staff shortages and teleworking.

In 2019, North Macedonia passed a new public information law cutting deadlines for institutions to provide access to information from 30 to 20 days. Justice Minister Renata Deskoska stated that they "won't make chances. Transparency and access to public information are particularly important in this state of emergency." On the other hand, Interior Minister considered the possibility of restricting such access although it was never put into practice.

Journalists also criticized the lack of active transparency, meaning publishing information on their own initiative and institutional announcements and communication are missing crucial details. Opacity over crisis management, notably the shortage of needed products, is said to increase risks of corruption in institutions.

LGBTIQ rights

On a different note, news on the condition of LGBTIQ plus people in North Macedonia are encouraging.²³ Together with Montenegro North Macedonia has experienced the biggest jump in the ranking of Rainbow Europe by the ILGA Europe's annual benchmarking tool.

Yet this renewed sense of optimism was shattered in May 2020 when the new Anti-Discrimination Law passed last year, was scrapped by the Constitutional Court because of procedural omissions.²⁴ The law enabling discrimination complaints based on sexuality should have been approved by a majority of MPs in parliament according to authorities. President Pendarovski declared that the battle for equality will continue but he did not accept any blame for not signing a law that was not voted properly.

²² <https://balkaninsight.com/2020/04/24/north-macedonias-state-of-emergency-weakens-institutions-transparency/>

²³ <https://emerging-europe.com/news/new-rainbow-map-highlights-europes-continuing-east-west-divide-over-lgbti-rights/>

²⁴ <https://balkaninsight.com/2020/05/18/north-macedonia-activists-protest-as-court-scraps-anti-discrimination-law/>

Amnesty International Report 2019²⁵

Despite progress in implementing reforms identified by the European Commission (EC), concerns remained about corruption, the right to asylum and discrimination against women, Roma, and lesbian, gay, bisexual, transgender and intersex (LGBTI) people.

Background

The country was renamed in February following the conclusion in 2018 of a long-standing dispute with Greece. The government formed in May 2017 continued to take measures required by the EC following a political crisis in 2015 when the then opposition published audio recordings revealing extensive unlawful surveillance and widespread government corruption. Priorities included guaranteeing the rule of law, the rights to privacy and freedom of expression, the independence of the judiciary and an end to government corruption. The Special Prosecution Office (SPO) continued to hold former government ministers, officials and employees to account.

In March, the former Director of Security and Counterintelligence was sentenced to three years' imprisonment for electoral corruption. In April 16 police and internal security officers, including the former police chief, were convicted of "terrorist endangerment of the constitutional order" for colluding in the April 2017 attack on opposition members of parliament.

Proceedings opened in December against Katica Janeva, head of the SPO until August, charged with abuse of office and taking bribes. Measures to transfer the SPO's caseload to the public prosecutor were proposed. Media freedom gradually increased and fewer journalists were physically attacked. In May, parliament adopted a clarification of the exact meaning of, and a preliminary amendment to financial laws, which had been deliberately misinterpreted by the previous government to penalize NGOs, which received external funding.

Torture and other ill-treatment

Measures were initiated to address long-standing impunity for police ill-treatment, including an external oversight mechanism. By March, the Public Prosecutor's Office was investigating 50 reports against police officers and others relating to prison guards. The International Convention for the Protection of All Persons from Enforced Disappearance, signed in 2007, has not yet been ratified.

Discrimination

In May, the new Law on Prevention and Protection against Discrimination included sexual orientation and gender identity as protected categories, but did not recognize same-sex partnerships. The commission to receive complaints was not in place by the end of the year. Both the Prime Minister and Head of the Islamic Community were criticized for homophobic remarks. Hate speech against LGBTI people rose before the first Skopje Pride held in June. Inter-ethnic hate speech and hate crimes - including a murder case decided in April - remained consistently high. Roma continue to experience institutional discrimination in education, health, housing and employment, as well as access to bars, cafés and shops. Legal advocates reported repeated human rights violations in cases including property rights, contact with the police and employment. Around 440 Roma remained stateless.

²⁵ <https://www.amnesty.org/en/countries/europe-and-central-asia/north-macedonia/report-macedonia/>

Sexual and reproductive rights

In July, the amended Law on Termination of Pregnancy eased access to abortion, removing mandatory waiting periods, counselling and spousal approval. Contraception was not available at primary health-care centres.

Refugees and asylum-seekers

As of 31 December, 40,887 refugees and migrants who entered the country irregularly had officially been registered by the Ministry of Interior. Of 490 asylum applications, 407 were discontinued; of 18 applications considered, 17 were rejected; subsidiary protection was granted in only one case. Some 47% of applications were submitted by refugees and migrants unlawfully detained as witnesses against smugglers in inadequate conditions at Gazi Baba. An Emirati woman fleeing domestic violence was released from Gazi Baba after being granted interim measures by the European Court of Human Rights.

The Ministry of the Interior continued collective expulsions to Greece, pushing back 10,017 people trying to enter North Macedonia. Under an agreement with the EC, the European Border and Coast Guard Agency (Frontex) was deployed with border police. People seeking international protection reported being unlawfully pushed back to Greece by Frontex after being fingerprinted and detained for 24 hours; four were explicitly told by Frontex that they could not claim asylum. The administrative courts rejected the overwhelming majority of cases brought by Kosovo Roma refugees denied asylum in 2017-18. They had challenged the revocation of their subsidiary protection status, which left them without legal status and vulnerable to deportation.

Counter-terror and security

In September, the Supreme Court denied an appeal by the “Kumanovo group” of 33 ethnic Albanians, 16 from Kosovo, against their 2017 conviction for terrorism. The charges against them related to the killing of eight police officers and the injuring of 40 others in May 2015 in Divo naselje, Kumanovo; police killed 10 ethnic Albanians. The accused claimed that the confrontation was set up by the former government and had demanded an international investigation. In December, the Council of Europe's Committee of Ministers closed the case of Khaled el Masri, despite the fact that the Macedonian authorities had failed to conduct a full and effective criminal investigation, as required by the European Court of Human Rights' judgment. In 2003, the German citizen had been subjected to unlawful detention, enforced disappearance, torture and other ill-treatment, before being transferred to the US authorities, who violated his human rights outside Macedonia.

Full report of UN Human Rights Council

<https://www.ohchr.org/EN/HRBodies/UPR/Pages/MKindex.aspx>

US State Department North Macedonia Human Rights Report

<https://www.state.gov/wp-content/uploads/2020/02/NORTH-MACEDONIA-2019-HUMAN-RIGHTS-REPORT.pdf>

VI North Macedonia's Foreign Policy

1. Relations with the EU

As an aspiring member of the EU, North Macedonia registered setbacks concerning its membership application process. The country took the Euro-Atlantic integration approach to its foreign policy and became the latest NATO member in March 2020. Since its independence, North Macedonia sought to get closer the EU and eventually obtain its membership to the Union.

Background information²⁶

The Republic of North Macedonia's application for EU membership was submitted on 22 March 2004. The Commission delivered a positive opinion on 9 November 2005. The European Council awarded the country candidate status in December 2005. On 18 February 2008, the Council adopted the revised Accession Partnership with North Macedonia. The European Commission first recommended to open accession negotiations with the Republic of North Macedonia in October 2009. In 2015 and 2016, the recommendation was made conditional on the continued implementation of the Pržino agreement and substantial progress in the implementation of the "Urgent Reform Priorities". In June 2018, the Council adopted conclusions in which it agreed to respond positively to the progress made by the Republic of North Macedonia and set out the path towards opening accession negotiations in June 2019, depending on progress made in certain key areas, such as judicial reform, intelligence and security services reform and public administration reform.

In June 2019, the Council discussed the European Commission's communication of 29 May 2019 on the EU enlargement policy and the report on the Republic of North Macedonia. In light of the limited time available and the importance of the matter, it decided to revert, no later than October 2019, to the issue of opening accession negotiations with the country, with a view to reaching a clear and substantive decision. On 15 October 2019, the Council discussed enlargement and the stabilisation and association process as regards Albania and the Republic of North Macedonia. Following the discussion, the presidency issued procedural conclusions noting that the Council will discuss the issue after the October European Council. The European Council on 17-18 October 2019 decided to revert to the issue of enlargement before the EU-Western Balkans summit in Zagreb in May 2020.

On 24 March 2020, ministers for European affairs gave their political agreement to the opening of accession negotiations with Albania and the Republic of North Macedonia. On 25 March, the conclusions on enlargement and stabilisation and association process were formally adopted by written procedure. On 26 March 2020, the members of the European Council endorsed the conclusions.

Since October 2009, the Commission has continuously recommended to open accession negotiations with North Macedonia. In 2015 and 2016, the recommendation was made conditional on the continued implementation of the Pržino agreement and substantial progress in the implementation of the 'Urgent Reform Priorities'. In light of the progress achieved, the Commission repeated its unconditional recommendation to open accession negotiations in April 2018. In light of the significant progress achieved and the conditions set unanimously by the Council in June 2018 having been met, the Commission recommended in May 2019 to open accession negotiations with North Macedonia.

²⁶ <https://www.consilium.europa.eu/en/policies/enlargement/republic-north-macedonia/>

Recent news²⁷

In March 2020, the General Affairs Council decided to open accession negotiations with North Macedonia and endorsed the Commission Communication on a revised methodology "Enhancing the accession process - A credible EU perspective for the Western Balkans" of February 2020. Members of the European Council endorsed the decision.

The European Commission welcomes the Council's decision to open accession negotiations with Albania and North Macedonia, subject to final endorsement by the European Council members.

Following the decision, President of the European Commission Ursula von der Leyen said: *"The European Union delivers on its promise. North Macedonia and Albania did what was asked of them and they have continued making progress in the reforms needed. Today marks the start of the journey to a bigger and stronger European Union. And this decision is in the European Union's geostrategic interest."*

Commissioner for Neighbourhood and Enlargement Olivér Várhelyi commented: *"Opening of accession talks sends a loud and clear message not only to the two countries, but to the Western Balkans as a whole. It reaffirms and delivers on the EU's commitment to the European perspective of the region: its present is with the EU and its future is in the EU. The Commission will move quickly and propose soon the draft negotiating frameworks with the two countries integrating the elements of the revised methodology. Today's decision confirms the geostrategic importance of the Western Balkans and demonstrates that Europe is willing and able to take geopolitical decisions even in these trying times of corona virus pandemic."*

[Find here the North Macedonia 2019 Report](#) by the European Commission.

Next steps and possible hurdles with Bulgaria

After final endorsement by the European Council members, expected this Thursday, the Commission will submit proposals for negotiating frameworks with the two countries. These frameworks establish the guidelines and principles governing the accession negotiations with each candidate country. The Commission will begin the necessary preparatory work immediately.

The Council should convene the first intergovernmental conferences as soon as possible after the adoption of the negotiating frameworks. Prior to its first intergovernmental conference, Albania is called on to make further progress on electoral and judicial reforms and in the fight against organised crime and corruption. Tackling the phenomenon of unfounded asylum seekers and amending the media law also remain important priorities. The Commission will report on these issues when presenting the negotiating framework for Albania.

The Commission will continue to monitor the progress and continued compliance of both countries in all areas of the conditions identified by the Council in June 2018 related to the opening of negotiations and to carry out and complete the process of analytical examination of the EU *acquis* with the two countries, starting with the fundamentals' cluster.

²⁷ https://ec.europa.eu/commission/presscorner/detail/en/IP_20_519

Less than a month after the European Union finally agreed to begin accession talks with North Macedonia, there is a new hurdle on the country's road to membership: Bulgaria.

In a document leaked last month, Bulgaria reiterated a number of demands it has made of North Macedonia at various times in the past. Among them is that North Macedonia must drop its claims that there is a Macedonian minority in Bulgaria. The Macedonian language is also a point of controversy – with Bulgaria insisting that the EU does not use the term “Macedonian language” during talks but instead “the official language of the Republic of North Macedonia.”

Bulgaria's demands will not come as a surprise to those who have followed the region's history. While Bulgaria was the first state to recognise Macedonia's independence after the fall of Yugoslavia, the country has never accepted the existence of a separate Macedonian ethnicity. Instead, Bulgaria claims that ethnic Macedonians are a subgroup of Bulgarians and that the Macedonian language is a dialect of Bulgarian.²⁸

The document has heated up discussions about Bulgarian-Macedonian relations at a time when the country was celebrating finally joining NATO.

NATO accession only came after the signing of the Prespa agreement with Greece in 2018 ending an almost three decade-long dispute over the use of the term *Macedonia*. The country changed its official name from Former Yugoslav Republic of Macedonia to North Macedonia – a move that proved extremely controversial within the country. It was only accepted – and then, not by all – when then prime minister Zoran Zaev made it clear that NATO and EU membership could not happen without it.

Greece has previously blocked the nation's attempts to join NATO and the EU because of the naming dispute.

Now, it seems that Bulgaria is the country that might stand in the way of North Macedonia's European future, jeopardising relations between the two countries.

Ironically, the two Western Balkans nations signed a friendship treaty in 2017 to bolster their relationship. As part of this treaty, a bilateral commission was set up to try and overcome long-standing disputes that the two country have over the shared parts of their histories.

For instance, there are disagreements over certain historical figures and their ethnicity. Goce Delčev, leader of a 1903 rebellion against Ottoman rule, is seen as a national hero in both countries. However, in North Macedonia he is Macedonian while he is a Bulgarian in Bulgaria.

The commission, however, has not been operating since December 2019.

“If the mixed history commission does recommence its work by June and the authorities in Skopje continue to falsify history, Bulgaria will not agree to start pre-accession talks with northern Macedonia,” said Bulgarian MEP Andrey Kovachev, a member of PM Boyko Borisov's GERB party.

²⁸ <https://emerging-europe.com/news/after-greece-north-macedonia-faces-new-challenge-on-eu-path-bulgaria/>

The friendship treaty, which also came about during Mr Zaev's term as the prime minister, is also now being criticised in North Macedonia.

"Zoran Zaev rushed to sign a very asymmetric and unfavourable agreement with Bulgaria, which was made and ratified behind the scenes so the majority of citizens did not know anything about its provisions," says Biljana Vankovska, head of postgraduate studies in Peace and Development at the Faculty of Philosophy in Skopje.

She believes that the relationship between Skopje and Sofia is broken.

Western Balkans on the European Council agenda Overview of discussions since the Lisbon Treaty

SUMMARY:

The western Balkans have featured regularly on the agenda of the European Council since the entry into force of the Lisbon Treaty in December 2009. Three dimensions – enlargement, counter-terrorism and migration – have been at the centre of the EU leaders' discussions on the subject. However, the message has often seemed technical and EU leaders have appeared less inclined to offer a strategic view of future relations between the EU and the western Balkans. The European Council has held one strategic debate on the western Balkans, in March 2017, when it discussed the then deteriorating security situation in the region and agreed to keep it under review. In February 2018, with its strategy for the western Balkans, the European Commission sent a strong political message of openness and inclusiveness to the countries in the region. Two successive country reports adopted in 2018 and 2019 recognised progress made by Albania and North Macedonia and recommended opening accession negotiations with both countries. In the absence of an agreement at the 15 October 2019 General Affairs Council, the European Council was asked to give a green light to accession negotiations, a decision that EU leaders postponed until spring 2020. In the interim, the European Commission proposed new, more flexible and dynamic, rules on the accession process. At their 26 March 2020 video-conference meeting dedicated to the COVID-19 outbreak, EU leaders endorsed the opening of accession negotiations with Albania and North Macedonia as agreed by the General Affairs Council on 25 March 2020, under stricter country-related conditionality rules, but without mentioning a date for the start of negotiations.

Please click [here](#) for the full report.

European Union - North Macedonia Joint Parliamentary Committee

Joint Parliamentary Committee held its 17th meeting in Strasbourg on 18 and 19 December 2019 under the joint chairmanship of Mr Andreas SCHIEDER (S&D, Austria) and Ms Sonja MIRAKOVSKA (NSDP, Republic of North Macedonia).

At this meeting, the Committee held an exchange of views with

- Mr Andrej ZERNOVSKI, Deputy Minister of Foreign Affairs, on behalf of the government of North Macedonia,
- Mr David CULLEN, Head of Unit for North Macedonia, Kosovo, DG NEAR, on behalf of the European Commission,

- Mr Gabriele VISENTIN, Head of Division for Parliamentary affairs, on behalf of the European External Action Service - Mr Ilhan KYUCHYUK, European Parliament is standing rapporteur on North Macedonia.

The Joint Parliamentary Committee exchanged views on the relations between the European Union and North Macedonia, on the rule of law, judiciary reforms and fight against organized crime and corruption, as well as the readiness of the electoral system and proposed reforms ahead of the early parliamentary elections.

Please click [here](#) for the full report.

Relationship between North Macedonia and Greece²⁹

In June 2018, Greece and North Macedonia reached the historic Prespa Agreement whereby Greece pledged to lift its veto over North Macedonia's EU and NATO accession and the latter agreed to change its constitutional name from Macedonia to North Macedonia, among other provisions. The agreement laid the foundation for two foreign policy breakthroughs. In March 2020, North Macedonia joined NATO. The same month, the EU agreed to launch membership talks with North Macedonia—an early but important step in the accession process. Greece and North Macedonia overcame domestic hurdles to implementing the Prespa Agreement, as well as an alleged Russian influence campaign aimed at derailing NATO enlargement.

Looking ahead, Members of Congress may be interested in efforts to strengthen the rule of law in North Macedonia and bring the country's laws and institutions in line with EU membership requirements.

North Macedonia's domestic situation has stabilized significantly in recent years. Parliamentary elections held on July 15, 2020, resulted in a second term for Prime Minister Zoran Zaev; his first government (May 2017 to January 2020) negotiated the Prespa Agreement with Greece and oversaw the final stages of North Macedonia's NATO accession. Looking ahead, some key domestic issues include combating corruption and strengthening the rule of law; harmonizing domestic legislation with that of the EU; and adopting reforms to spur economic development and alleviate poverty, particularly as the country grapples with the Coronavirus Disease 2019 (COVID-19) pandemic.

²⁹ <https://fas.org/sgp/crs/row/R45739.pdf>

VII The Culture of North Macedonia

Daily life and social customs³⁰

Because of the long presence of the Ottoman Turks in the region, the traditional cuisine of North Macedonia is not only based on Balkan and Mediterranean fare but also flavoured by Turkish influences. Among the country's dishes of Turkish origin are *kebapcinja* (grilled beef kebabs) and the *burek*, a flaky pastry often stuffed with cheese, meat, or spinach. Macedonians also enjoy other foods that are common throughout the Balkans, including *taratur* (yogurt with shredded cucumber) and baklava. Macedonian specialties include *ajvar* (a sauce made from sweet red peppers), *tavce gravce* (baked beans), *shopska salata* (a salad combining sliced cucumbers, onions, and tomatoes with soft white cheese), and *selsko meso* (pork chops and mushrooms in brown gravy). In addition to Orthodox Christian and Islamic religious holidays, a number of holidays tied to the country's history are celebrated in North Macedonia, including Independence Day (September 8), marking the day in 1991 when Macedonians voted for independence from federated Yugoslavia.

The arts

The popular culture of North Macedonia is a fascinating blend of local tradition and imported influence. Folk music and folk dancing are still popular, and rock and pop music are ubiquitous. Icon painting and wood carving both have long histories in North Macedonia. Motion picture making in North Macedonia dates to the early 20th-century efforts of brothers Milton and Janaki Manaki and includes *Before the Rain* (1994), which was directed by Milcho Manchevski and was nominated for an Academy Award for best foreign-language film.

Cultural institutions

Located in Ohrid, the National Museum features an archaeological collection dating from prehistoric times. Ohrid itself is one of the oldest human settlements in Europe, and the natural and cultural heritage of the Ohrid region was designated as a UNESCO World Heritage site in 1980. Also of note are the Museum of Contemporary Art in Skopje and the Museum of the City of Skopje.

Throughout the country, annual festivals are held, including the Skopje Jazz Festival, the Balkan Festival of Folk Songs and Dances in Ohrid, the Ohrid Summer Festival, and the pre-Lenten Carnival in Strumica. An international poetry festival is held annually in the lakeside resort of Struga.

Sports and recreation

A modern sports culture was slow to develop in North Macedonia. In the post-World War II era, football (soccer) emerged as a popular sport, encouraged, along with basketball and volleyball, by the larger industrial firms, which often fielded their own teams. In the late 20th and early 21st centuries, tennis began to grow in popularity in the larger urban centres. The 1996 Olympic Games

³⁰ <https://www.britannica.com/place/North-Macedonia/Cultural-life>

in Atlanta, Georgia, U.S., marked the first Games at which Macedonia was represented as an independent state.

During the 1970s, winter sports gained considerably in popularity in North Macedonia, as the country's mountainous terrain facilitated the creation of several ski resorts, especially in the Šar Mountains, and near Mavrovo and Krushevo. There are also active mountaineering societies, maintaining huts in the Babuna massif south of Skopje, in the Šar Mountains and on Baba Mountain. Macedonians generally seem to prefer to take their fresh air and exercise in the form of mountaineering and hunting. On the other hand, chess has a wide and enthusiastic following in the country.