



INDEPENDENT COUNTRY PROGRAMME EVALUATION NORTH MACEDONIA



DEVELOPMENT effectiveness COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance
sustainability MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT responsiveness
COORDINATION HUMAN effectiveness COORDINATION AND PARTNERSHIP sustainability
COORDINATION relevance sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MANAGING FOR RESULTS
RESULTS effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP sustainability
AND PARTNERSHIP sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
sustainability MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT responsiveness
NATIONAL HUMAN effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP sustainability
COORDINATION relevance sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MANAGING FOR RESULTS
COORDINATION AND DEVELOPMENT responsiveness NATIONAL OWNERSHIP sustainability PARTNERSHIP sustainability



INDEPENDENT COUNTRY PROGRAMME EVALUATION NORTH MACEDONIA

OPMENT effectiveness COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNE
MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT responsiveness COOR
ness COORDINATION AND PARTNERSHIP sustainability COORDINATION relevance sustainability M
siveness HUMAN DEVELOPMENT effectiveness effectiveness COORDINATION efficiency PARTNERSH
VNSHIP relevance MANAGING FOR RESULTS effectiveness COORDINATION efficiency COORDI
sustainability COORDINATION AND PARTNERSHIP sustainability MANAGING FOR RESULTS respo
effectiveness relevance sustainability MANAGING FOR RESULTS responsiveness COORDINATION AND
COORDINATION HUMAN effectiveness COORDINATION efficiency COORDINATION AND PA
RDINATION relevance sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPM
ss COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MA



REPORTS PUBLISHED UNDER THE ICPE SERIES

Afghanistan (Islamic Republic of)	Côte d'Ivoire	Lao People's Democratic Republic	Philippines
Albania	Croatia	Liberia	Rwanda
Algeria	Cuba	Libya	Sao Tome and Principe
Angola	Djibouti	Malawi	Senegal
Argentina	Dominican Republic	Malaysia	Serbia
Armenia	Ecuador	Maldives	Seychelles
Azerbaijan	Equatorial Guinea	Mali	Sierra Leone
Bahrain	Egypt	Mauritania	Somalia
Bangladesh	El Salvador	Mexico	Sri Lanka
Barbados and OECS	Eswatini	Moldova (Republic of)	Sudan
Belarus	Ethiopia	Mongolia	Syria
Benin	Gabon	Montenegro	Tajikistan
Bhutan	Georgia	Morocco	Tanzania
Bosnia and Herzegovina	Ghana	Mozambique	Thailand
Botswana	Guatemala	Namibia	Timor-Leste
Brazil	Guinea-Bissau	Nepal	Togo
Bulgaria	Guyana	Nicaragua	Tunisia
Burkina Faso	Honduras	Niger	Turkey
Cambodia	India	Nigeria	Uganda
Cameroon	Indonesia	North Macedonia	Ukraine
Chile	Iraq	Pacific Islands	United Arab Emirates
China	Jamaica	Pakistan	Uruguay
Colombia	Jordan	Panama	Uzbekistan
Congo (Democratic Republic of)	Kenya	Papua New Guinea	Viet Nam
Congo (Republic of)	Kosovo	Paraguay	Yemen
Costa Rica	Kuwait	Peru	Zambia
	Kyrgyzstan		Zimbabwe

INDEPENDENT COUNTRY PROGRAMME EVALUATION: NORTH MACEDONIA

Copyright © UNDP October 2020

Manufactured in the United States of America.

The analysis and recommendations of this report do not necessarily reflect the views of the United Nations Development Programme, its Executive Board or the United Nations Member States. This is an independent publication by the UNDP Independent Evaluation Office.

Acknowledgements

The Independent Evaluation Office (IEO) of UNDP would like to thank all those who have contributed to this evaluation.

IEO TEAM

Oscar A. Garcia (Director),
Indran Naidoo (former Director) and
Arild Hauge (Deputy Director)

Lead Evaluator:
Alan Fox

RBEC Cluster Evaluation Coordinator:
Yogesh Bhatt

Evaluation consultants:
Paul Georis, Daniele Pedretti and Silvana Rusi,
through the consulting firm T33Srl

Research support:
Tianhan Gui and Elizabeth Wojnar

Publishing and outreach:
Nicki Mokhtari

The IEO could not have completed the evaluation without the support from:

UNDP North Macedonia:
Narine Sahakyan (Resident Representative),
Sanja Bojanic (Deputy Resident
Representative) and Jasmina Belcovska
(M&E and Innovation Adviser).

Other stakeholders and partners:
Government of North Macedonia,
representatives of the United Nations agencies,
nongovernmental organizations and bilateral
and multilateral development partners,
civil society and communities consulted.

Foreword

I am pleased to present the Independent Country Programme Evaluation of the UNDP country programme in North Macedonia. This is the first country-level assessment of UNDP interventions in North Macedonia by the Independent Evaluation Office (IEO) of the United Nations Development Programme (UNDP). The evaluation covers the programme period from 2016 to mid-2019. It has been carried out in collaboration with the Government of North Macedonia, UNDP North Macedonia country office, and the UNDP Regional Bureau for Europe and the Commonwealth of Independent States (RBEC).

UNDP has supported the Government of North Macedonia for over two decades to pursue economic and social reforms and build capacity for sustainable management of natural resources. Over the years, its programme has been shaped by the country's development priorities, challenges and the Government's Programme of Work.

Its current programme (2016-2020), which is under review, focuses on support to the Government for promoting good governance to ensure delivery of better services to all citizens; addressing issues of social inclusion by empowering the most vulnerable people in society and expanding employment opportunities; and building resilience societies and ensuring sustainable development.

The evaluation found that UNDP has played an important role in helping to address high-priority national development issues, even as it notes continuing challenges. The evaluation highlights a need to improve intersectoral coherence, to better address the needs of target groups from multiple perspectives.






The evaluation notes that UNDP is recognized as a neutral and reliable partner by both donors and the Government, and a partner of choice when rapid development advice and programming is needed, that builds effective partnerships with local stakeholders. The evaluation highlights a tendency for the Government to use UNDP as an implementing body to compensate for capacity gaps, which can weaken incentives for government ministries to strengthen their own capacities. Recommendations are provided, which include suggestions for UNDP to scale up subnational interventions, encourage inter-municipal cooperation and reinforce the role of regional planning in the context of European Union integration.

I would like to thank the Government of North Macedonia, various national stakeholders and colleagues at the UNDP North Macedonia country office and UNDP RBEC, who graciously provided their time, information and support to this evaluation. I trust that the findings, conclusions and recommendations provided herein will help to strengthen the formulation of UNDP's next country programme strategy in North Macedonia for a more impactful contribution to the achievement of sustainable development results in the country.



Oscar A. Garcia,
Director,
Independent Evaluation Office

Contents

Acronyms and Abbreviations	vii
Evaluation Brief	1
 CHAPTER 1. INTRODUCTION	3
1.1 Purpose, objectives and scope of the evaluation	4
1.2 Country context	5
1.3 UNDP programme under review	9
 CHAPTER 2. FINDINGS	15
2.1 Employment and livelihoods	17
2.2 Democratic governance	17
2.3 Social inclusion	20
2.4 Environmental sustainability and resilience	22
2.5 Results management	24
2.6 Portfolio management	25
2.7 Joint programming	25
2.8 Gender	26
 CHAPTER 3. CONCLUSIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSE	27
3.1 Conclusions	28
3.2 Recommendations and management response	31
 ANNEXES	42
 TABLE AND FIGURES	
Table 1. UNDP country programme outcomes: indicative budget and expenditures	9
Figure 1. CPD North Macedonia 2016-2020: share of indicative budget per outcome area	10
Figure 2. Evolution of expenditure by outcome area	10
Figure 3. Expenditures recorded as share of indicative budget	10

Acronyms and Abbreviations

ALMM	Active Labour Market Measures
CO	Country office
CPD	Country programme document
CSO	Civil society organization
CWP	Community Works Programme
EU	European Union
DRR	Disaster risk reduction
GDP	Gross domestic product
GEN	Gender marker
GHG	Greenhouse gas
ICPE	Independent Country Programme Evaluation
IEO	Independent Evaluation Office
LSGU	Local self-government unit
M&E	Monitoring and evaluation
MLSP	Ministry of Labour and Social Policy
MoLSG	Ministry of Local Self-Government
ODA	Official development assistance
PSD	Partnership for Sustainable Development
PwD	Person with disabilities
RBEC	UNDP Regional Bureau for Europe and the Commonwealth of Independent States
ReLOaD	Regional Programme on Local Democracy in Western Balkans
ROAR	Results Oriented Annual Report
SDC	Swiss Agency for Development and Cooperation
SDG	Sustainable Development Goal
UN	United Nations
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund

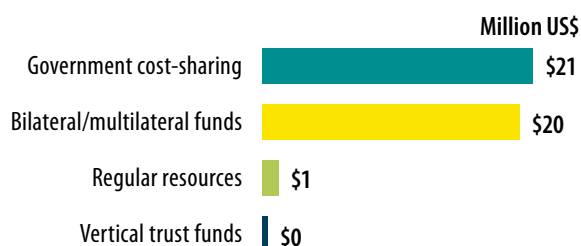
Evaluation Brief: North Macedonia

UNDP has supported the Government of North Macedonia for over two decades to pursue economic and social reforms and build capacity for sustainable management of natural resources. Over the years, its programme has been shaped by the country's development priorities and challenges. During the programme cycle under review (2016-2020), the UNDP country programme focused on supporting the Government in promoting good governance to ensure delivery of better services to all citizens; addressing issues of social inclusion by empowering the most vulnerable people in society and expanding employment opportunities; and building resilience societies and ensuring sustainable development. The Independent Evaluation Office of UNDP conducted an Independent Country Programme Evaluation of North Macedonia in 2019.

Expenditure by thematic area (2016-2018)



Total expenditure by fund category (2016-2018)



Key conclusions

The country programme document (CPD) reflected well the country's development priorities, in particular through interventions helping to strengthen local governance and stimulate employment.

The CPD is well aligned with national priorities and addresses the high rates of unemployment and social exclusion, weak public governance (especially poor service delivery) and high exposure to environmental risks. The political upheavals the country experienced in recent years have not challenged this framework. While UNDP interventions have helped strengthen local governance and employment policy, the results and impact achieved in the social inclusion and, to a lesser degree, in the environment outcome areas were more modest. UNDP should now focus on integrated cross-sectoral interventions promoting balanced, inclusive and sustainable development across the country.

UNDP has managed to attract an increasing amount of resources for the country programme while co-financing arrangements facilitated policy implementation at the local level. UNDP succeeded in doubling its funding base since 2012. The significant increase in cost-sharing from the Government has compensated the reduced levels of official development assistance (ODA) to North Macedonia. Most interventions implemented at the local level also required co-funding from the municipalities. Furthermore, UNDP support was often a motivating factor for local authorities to implement specific policies, which they would have struggled to implement with their own resources and expertise.

While UNDP is recognized as a reliable partner by both donors and the Government, there is a risk that UNDP's involvement in some sectors could diminish incentives for government ministries to strengthen internal capacities. There is a high level of satisfaction among all interlocutors with UNDP's professionalism, in terms of sector expertise, management skills and commitment. Major donors look to UNDP when seeking to make rapid progress and/or guarantee a certain level of results given its impartiality and continued presence in the field, which facilitates the establishment of strong partnerships with local stakeholders. On the downside, there is a tendency for the Government to use UNDP as an implementing body to compensate for the shortcomings and weaknesses of its own administrative capacities. This raises questions about the sustainability of some interventions and the contribution of UNDP support to public administration reform despite consideration being given by UNDP to exit strategies and post-project financing arrangements. While donors welcome UNDP as a vehicle to deliver their assistance, they are also increasingly aware that this approach is not optimal for reinforcing the country's administrative capacities in the perspective of European Union (EU) accession.

The EU accession process, rather than the 2030 Agenda, is the main driver of North Macedonia's national development policies and reforms but the two processes are largely self-reinforcing. Although the CPD programming exercise successfully translated national development priorities into the common UN framework, in practice, North Macedonia's policies are being shaped by the overarching goal of achieving EU membership rather than the 2030 Agenda, with EU accession criteria driving political, economic, administrative and institutional reforms in the country. However, the EU accession process acts as a catalyst for achieving the UN objectives for sustainable development since many of the considerable efforts required from North Macedonia to adopt EU norms and standards and fulfil membership obligations, including strengthening the rule of law, improving environmental protection or dealing with unemployment and poverty, are contributing to the Sustainable Development Goals (SDGs).

Recommendations

RECOMMENDATION 1. While the current CPD outcome areas remain largely relevant, the emphasis should be on integrated cross-sectoral interventions promoting balanced, inclusive and sustainable development across the country.

RECOMMENDATION 2. The results framework and evaluation practices should be strengthened to better capture programme achievements and better assess contributions to SDG targets.

RECOMMENDATION 3. Support for effective employment policies should continue with a focus on women and young people and complementary measures in the field of social inclusion.

RECOMMENDATION 4. UNDP should scale up subnational interventions, encouraging inter-municipal cooperation and reinforcing the role of regional planning in the context of EU integration.

RECOMMENDATION 5. UNDP should continue to focus its environment portfolio on climate change and disaster risk reduction, with greater emphasis placed on helping the Government address the causes of air pollution.

RECOMMENDATION 6. UNDP should seek opportunities to build on its strategic positioning in North Macedonia to further harmonize EU accession and SDG priorities.

A decorative graphic consisting of a dotted line that starts vertically on the left, then turns horizontally to the right. Along this line are six colored dots: a red dot at the top of the vertical segment, a blue dot just below it, a blue dot at the start of the horizontal segment, a green dot, a red dot, and an orange dot at the far right end.

CHAPTER 1

INTRODUCTION

DEVELOPMENT effectiveness COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP
sustainability MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT responsiveness
COORDINATION HUMAN effectiveness COORDINATION AND PARTNERSHIP sustainability
TION relevance sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
ss COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MANAGING FOR RESULTS
RESULTS effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP sustainability
AND PARTNERSHIP sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
sustainability MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT responsiveness
NATION HUMAN effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP sustainability
TION relevance sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
ss COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MANAGING FOR RESULTS
COORDINATION AND DEVELOPMENT responsiveness NATIONAL OWNERSHIP sustainability PARTNERSHIP

1.1 Purpose, objectives and scope of the evaluation

The Independent Evaluation Office (IEO) of the United Nations Development Programme (UNDP) conducts Independent Country Programme Evaluations (ICPEs), previously known as Assessments of Development Results (ADRs), to capture and demonstrate evaluative evidence of UNDP contributions to development results at the country level, as well as the effectiveness of UNDP strategies in facilitating and leveraging national effort for achieving development results. The purpose of an ICPE is to:

- Support the development of the next UNDP country programme document (CPD)
- Strengthen accountability of UNDP to national stakeholders
- Strengthen accountability of UNDP to the Executive Board

ICPEs are independent evaluations carried out within the overall provisions contained in the UNDP Evaluation Policy. The IEO is independent of UNDP management and is headed by a Director who reports to the UNDP Executive Board. The responsibility of the IEO is two-fold: (a) provide the Executive Board with valid and credible information from evaluations for corporate accountability, decision-making and improvement; and (b) enhance the independence, credibility and utility of the evaluation function, and its coherence, harmonization and alignment in support of United Nations reform and national ownership.

Based on the principle of national ownership, the IEO conducts ICPEs in collaboration with the national authorities where the country programme is implemented, in this case the Government of North Macedonia. The evaluation has been coordinated with the UNDP North Macedonia team, and UNDP Regional Bureau for Europe and the Commonwealth of Independent States (RBEC), who are expected to take its conclusions and recommendations into account as they develop the next CPD for North Macedonia.

The ICPE was conducted from February to September 2019. It focuses on the current programme cycle (2016-2020), covering the entirety of UNDP's activities in North Macedonia until the end of 2018, funded by all sources, including core UNDP resources, donor funds, and government cost share.

Evaluation questions and methodology

The ICPE addresses three evaluation questions. These questions also guide the presentation of the evaluation findings.

1. What did the UNDP country programme intend to achieve during the period under review?
2. To what extent has the programme achieved (or is likely to achieve) its intended objectives?
3. What factors contributed to or hindered UNDP's performance and eventually, the sustainability of results?

The assessment, which is qualitative in nature, was based on an analysis of the correlation between reported project achievements, their contribution to expected outputs under each outcome, and consequently the overall outcome objectives. Special attention was given to assessing gender results across the portfolio.

Scope

This ICPE covers the period 2016-2018 of the current programme cycle. It covers interventions funded by all sources, including core UNDP resources, donor funds, and government funds. It also focuses on initiatives from the regional and global programmes and 'non-project' activities that may be crucial for the political and social agenda of the country.

The projects that are in the evaluation's scope are set out in Annex 2 (available online). These have been identified on the basis that: they are or have been active in the current CPD period, or they are precursors to currently active projects; they are evaluable, in the sense that they are doing work in their area that has been a focus for UNDP over a long enough period to be able to say something meaningful about their progress, likely or actual outcomes; and

they are large enough to warrant specific attention. The North Macedonian programme consists of around 40 active projects.

The evaluation focused on the 15 largest active projects in the country programme. Together, these account for around 74 percent of UNDP's programme expenditure over the period 2016-2018.

Data constraints and limitations

Beyond information collected in stakeholder interviews, the evaluation did not involve primary data collection. The rigour of the evaluation's outcome assessments thus depends on the quality of the available documentation about the objectives and outcomes of UNDP's work, with interviews used to identify data sources and explore lines of inquiry. To counteract potential biases the evaluation draws from a diversity of data sources, including government data and documentation, project documentation reporting, media reporting and independent reviews and evaluations. Triangulation between different sources was used to test and validate feedback from stakeholders and performance claims in project reporting. The evaluation assessed whether there is valid and reliable information about the views of intended beneficiaries about UNDP projects and where this is available, included this in reporting.

An effort was made to tap into a diversity of views about UNDP's work, to develop a fuller understanding of the political context and UNDP's performance.

Data collection methods

The IEO and the country office identified an initial list of background and programme-related documents. Document reviews included: background documents on the national context; documents prepared by international partners and other UN agencies during the period under review; programmatic documents such as work plans and frameworks; progress reports; monitoring self-assessments such as the yearly UNDP Results Oriented Annual Reports

(ROARs); and evaluations conducted by the country office and partners, including the quality assurance reports. Where necessary, information and data collected from multiple sources was triangulated to ensure its validity.

The short time available for fieldwork did not allow the systematic collection of beneficiary views and unintended consequences of the project on non-target groups. Where this information was not available, it is identified as a limitation. Where projects were in their early stages, the focus of the evaluation was on whether there is evidence that their design reflects learning or builds on outcomes achieved from previous projects.

1.2 Country context

The Republic of Macedonia peacefully gained its independence from Yugoslavia in 1991, joining the United Nations two years later. With a population of 2.1 million (2019), it is a land-locked country situated in the south-central Balkans, bordered by Serbia, Kosovo, Bulgaria, Greece and Albania. The topography is mountainous, and 90 percent of the territory drains through the Vardar river and its tributaries, towards the Aegean Sea.

The signature of the Prespa Agreement with Greece in June 2018 resolved a long-standing dispute over the country's name, giving a new impulse to the integration of North Macedonia into Euro-Atlantic structures, with the country invited to start NATO accession talks in July 2018. Accession talks with the European Union commenced in March 2020. North Macedonia has received €1.3 billion of development aid from the Instrument for Pre-Accession Assistance, a funding mechanism for EU candidate countries.¹

Economic development

North Macedonia has witnessed two decades of stable economic growth. Real GDP growth oscillated somewhat during the period under review, from 2.9 percent in 2016 to almost 0 percent in 2017, recovering to 2.7 percent in 2018. The slowdown

¹ IPA I (2007-2013) and IPA II (2014-2021).

was primarily due to a fall in investment during this period, impacted by political turbulence. Private consumption was the major contributor to growth in 2017, supported by higher employment and wages.² However, the economy continues to be affected by structural weaknesses, such as weak enforcement of contracts, and there is a large informal economy.³ Structural problems of the labour market are reflected in low activity and high unemployment rates. The reform agenda outlined in the new Government's Programme 2017–2020 focuses on economic growth, job creation, fair taxation, support to small and medium enterprises, reform of social protection programmes for the most vulnerable, and public administration reform.

Poverty and social inclusion

The country's Human Development Index remains the lowest in the South East Europe region, at 0.757 in 2017 (ranking 80/189 countries),⁴ with a Gini coefficient of 0.35 in 2017, in constant decline since 2009. North Macedonia's gender inequality index (GII) was within group 3, which includes countries with medium equality in Human Development Index achievements between women and men.⁵

Poverty (at \$5.5/day at 2011 purchasing power parity) has fallen to 21 percent in 2017 thanks to employment growth and salary increases, continuing a decreasing trend since 2009.⁶

Despite recent economic growth, poverty and inequalities remain entrenched in North Macedonia, with two groups particularly vulnerable to discrimination: the Roma people and persons with disabilities.

Employment and labour market

The Government's efforts to attract foreign investment and implement active labour market measures have helped significantly reduce unemployment in recent years from 29 percent in 2013 to 22.4 percent in 2017, and 17.5 percent during the first half of 2019,⁷ but unemployment was still among the highest in Europe.⁸ More than 40 percent of young people under 29 are unemployed. One out of three young people is neither in employment, education or training, compared to an average of 13.9 percent in Organisation for Economic Cooperation and Development countries.

The employment rate has been improving from 38.9 percent in 2011 to 44.1 percent in 2017,⁹ but more than half of the working-age population is either unemployed or outside the labour force.¹⁰ The activity rate stood at 56.8 percent in 2017,¹¹ reflecting both a large informal sector (accounting for one in five jobs) and the economy's limited job-creation capacity.

Two particular challenges affected the labour market during the implementation of the country programme: the increasing emigration of young people and intermediate skilled workers and the deteriorating educational system causing significant skills mismatch and skills gap, with more and more private-sector employers struggling to find the right staff to fill vacant positions.

Gender equality

Although unemployment rates are almost similar for men and women,¹² there is a 25-percentage-point gap in the activity rate of women (44.3 percent)

² <http://pubdocs.worldbank.org/en/942631524171033683/Macedonia-Snapshot-Spring2018.pdf>

³ EU progress report 2018.

⁴ <http://hdr.undp.org/en/2018-update>

⁵ Women hold 37.5 percent of parliamentary seats and 40.5 percent of adult women have attained at least a secondary level of education, compared to 56 percent of their male counterparts. For every 100,000 live births, 8 women die from pregnancy-related causes; and the adolescent birth rate is 16.2 births per 1,000 women of ages 15–19. Female participation in the labour market is 42.5 percent compared to 67.6 for men.

⁶ <http://pubdocs.worldbank.org/en/942631524171033683/Macedonia-Snapshot-Spring2018.pdf>

⁷ Population aged over 15, <http://www.stat.gov.mk/Publikacii/2.4.18.03.pdf>

⁸ The EU28 unemployment rate (population aged 20 to 64) was 7.3 percent in December 2017 (source: [eurostats](http://ec.europa.eu/eurostat)).

⁹ Population aged over 15, <http://www.stat.gov.mk/Publikacii/2.4.18.03.pdf>

¹⁰ <http://pubdocs.worldbank.org/en/942631524171033683/Macedonia-Snapshot-Spring2018.pdf>

¹¹ As participation of the labour force in the working age population aged 15 years and over (Labour Force Survey, 2017).

¹² 22.7 percent of men and 21.8 percent were unemployed in 2017 (Labour Force Survey, 2017).

and men (69.3 percent).¹³ Moreover, activity rates for minority women are lower than for ethnic Macedonians.¹⁴ Women earn on average 17.5 percent less than men performing similar jobs.¹⁵ Occupations remain heavily segregated by gender, and women generally bear the full load of unpaid household and care work.¹⁶ Women are also underrepresented in leadership positions. Quotas have increased the share of women in Parliament and local councils to over 30 percent, but only six of 81 mayors and five of 26 ministers are women. About one woman in three suffers from gender-based violence.¹⁷

Regional development and local governance

North Macedonia has been engaged in a process of decentralization for the last 20 years.¹⁸ The Law on self-government, adopted in 2002, transferred many competences to the municipal level in the areas of urban and rural planning, local economic development, education and culture, social welfare and healthcare, as well as environmental and civil protection. The number of municipalities was trimmed down from 124 to 81, including the city of Skopje with its 10 local self-government units (LSGUs). The Law on financing local self-government (2004) set up the framework for fiscal decentralization while the Law on balanced regional development (2007) led to an increase of state resources available to LSGs for fulfilling their basic municipal functions and implementing local policies in line with their expanded mandate. In the absence of a National Development Strategy, the 2017-2020 Government Programme and sectoral development strategies are guiding the country's reforms,¹⁹ including the

balanced development of the country's regions, which is promoted by the Strategy for Regional Development 2009-2019.

From 2007, the national government has been providing block grants to LSGUs fulfilling good financial management criteria to improve local infrastructure and social/welfare institutions and services. However, the decentralization process was over-ambitious, with the limited government funds not matching needs. The process also suffered from the low level of preparedness of the Ministry for Local Self-Government (MoLSG) to manage the funds distribution transparently across the country.

Municipal debt remains an issue, not because of excess borrowing, but because of a lack of discipline regarding budget arrears, some of which have been carried over since decentralization began. In 2018, the amount of accumulated municipal debt reached a total of €100 million, partly as a consequence of the broadened municipal mandate but also reflecting weaknesses in local governance, including the disparity between competencies and funds available and the lack of municipal capacity to raise its own revenues and plan expenditures. The legislative framework was strengthened in 2018 to address the issue and improve scrutiny over municipal financial management.²⁰

Overall, North Macedonia has not yet reached its goal of creating more autonomous (especially financially) LSGUs that would be efficient and effective enough to provide better services to citizens.²¹

¹³ Labour Force Survey, 2017: (<http://www.stat.gov.mk/Publikacii/2.4.18.03.pdf>).

¹⁴ The Albanian minority cover 25 percent of the population, the Turks 3.5 percent, the Roma people 2.5 percent, and the Vlachs 0.5 percent.

¹⁵ International Labour Organization, The Gender Pay Gap in the former Yugoslav Republic of Macedonia, 2012: (<http://ow.ly/L23Ur>).

¹⁶ European Commission, The Current Situation of Gender Equality, 2012: (http://ec.europa.eu/justice/gender-equality/files/epo_campaign/country-profile_fyrom_en.pdf).

¹⁷ OSCE Survey on Violence Against Women - Macedonia Report, May 2019.

¹⁸ The ratification of the European Charter of Local Self-Government, in 1997, reiterated the need for transfer of competences from central to local government, which was further supported when the Government adopted its first Strategy on Reform of the System of Local Self-Government in 1999. The process was intensified with the signing of the Ohrid Framework Agreement in 2001 and the new Law on Local Self-Government was adopted in 2002 that increased the authority of elected local officials and municipal competences.

¹⁹ https://vlada.mk/sites/default/files/programa/2017-2020/Programa_Vlada_2017-2020_ENG.pdf

²⁰ The LSGU Financing Act and the LSGU Financial Support Act adopted in November 2018 have allowed transfers to reduce municipal debt by 51 percent while introducing stricter mechanisms to prevent municipal debt.

²¹ LSGUs lack capacities in strategic planning and policy implementation, with smaller municipalities often unable to address the citizen's needs, especially regarding service delivery.

The country has been divided into eight planning regions to promote regional development in line with EU practices, each steered by a Regional Council composed of the relevant mayors which design regional development programmes with the support of Centres for Development. At the national level, the Council for Balanced Regional Development (CBRD) approves the regional programmes adopted by the Regional Councils, which are implemented with the support of the Bureau for Regional Development while the MoLSG is the main policy-making and supervisory body.

Municipalities lack resources and capacities to manage an inclusive policy-making process.²² In 2012, the Government adopted the first National Action Plan under the Open Government Partnership to promote transparency, fight against corruption, strengthen civic participation and use of new technologies in order to ensure more efficient and more accountable local governance. However, due to political developments between 2014 and mid-2017, progress was reversed, and transparency, accountability and civic participation deteriorated at both central and local levels. According to the 2017 Balkan CSO Net survey,²³ openness and transparency in local governance in North Macedonia was the lowest in the Balkans.

Environment

One of the country's main environmental problems remains its dependence on coal for energy production, resulting in high levels of air pollution,²⁴ particularly in urban areas in winter, when concentrations of harmful substances are several times higher than the maximum permitted. The country is lagging in achieving the ambitious targets for the use of renewables and energy efficiency set in the national strategic documents. According to the World Health Organization, the health impact

of pollution results in more than 2,500 deaths each year, while the health costs associated with pollution represent 3.2 percent of GDP.

Only a fraction of waste is managed properly, and recycling is barely practised. Waste collection services are provided for only 60-70 percent of the urban population and just 10 percent of the rural population. As a result, there are 1,000 illegal landfills in rural areas alone, creating significant ecological, health and safety hazards.²⁵

The country is also vulnerable to natural disasters, particularly floods. In recent years, extreme weather events that are amplified by climate change have caused significant damage in almost all regions of the country. Floods in the Pelagonija and Strumica regions in spring 2015 caused an estimated \$35.7 million in damage, and flash floods and landslides in the Polog region in August 2015 cost six lives and caused \$21.5 million in damage in Tetovo and nearby villages.

Climate change is a potent threat, particularly given the country's heavy reliance on agriculture, which accounts for 10.2 percent of GDP and 36 percent of employment. Despite the Government's commitment at the Paris Climate Summit in December 2015 to reduce emissions from fossil fuels by as much as 36 percent by 2030, implementation remains a challenge.

The country is rich in biodiversity, but only 7.9 percent of its territory is under protection. Major challenges remain in managing natural resources, and in maintaining and restoring ecosystem functions within, and outside, protected areas. Environmental awareness remains limited and citizens require a behavioural change to accept personal responsibility for the environment. The private sector and the wider public need to become more active to meet the challenges ahead.

²² EC 2016 Country Report for the Republic of Macedonia, p.9.

²³ Analysis of openness of local self-government in Macedonia and the region.

²⁴ Two-thirds of energy production relies on coal, and city air pollution often exceeds national (EU-aligned) legal norms, particularly in Skopje, Tetovo and Bitola.

²⁵ Ministry of Finance/UNDP, 2013 Report on Local Government Financing, December 2014.

The lack of capacity and clout of the Ministry of Environment hinder the country's progress towards compliance with EU environment directives. Alignment with EU legal standards is progressing but complying with the EU environmental acquis is expensive with total costs estimated at €2.3 billion (or 37 percent of GDP).²⁶

1.3 UNDP programme under review

The UNDP CPD for 2016-2020 is based on the Partnership for Sustainable Development (PSD) agreed between the UN and the Government of North Macedonia in October 2016. The programme is articulated around four outcomes derived from the PSD.

TABLE 1. UNDP country programme outcomes: indicative budget (2016-2020) and expenditures to date

Country programme outcome		Indicative resources 2016-2020	Expenditures to date 2016-2018
Outcome 12: Employment and livelihoods	By 2020, more men and women are able to improve their livelihoods by securing decent and sustainable employment in an increasingly competitive and job-rich economy.	Regular: \$0.9 million	\$20.68 million
		Other: \$20 million	
Outcome 13: Democratic governance	By 2020, national and local institutions are better able to design and deliver high-quality services to all residents, in a transparent, cost-effective, non-discriminatory and gender-sensitive manner.	Regular: \$0.9 million	\$4.25 million
		Other: \$12.55 million	
Outcome 14: Social inclusion	By 2020, members of socially excluded and vulnerable groups are more empowered to claim their rights and enjoy a better quality of life and equitable access to basic services.	Regular: \$0.565 million	\$0.85 million
		Other: \$0.5 million	
Outcome 15: Environment sustainability and resilience	By 2020, individuals, the private sector and state institutions base their actions on the principles of sustainable development, and communities are more resilient to disasters and environmental risks.	Regular: \$0.9 million	\$17.42 million
		Other: \$20 million	
Total		\$56.3 million	\$43.2 million

²⁶ European Commission, Instrument for Pre-Accession Assistance: Indicative Strategy Paper for the former Yugoslav Republic of Macedonia, August 2014 (http://ec.europa.eu/enlargement/pdf/key_documents/2014/20140919-csp-former-yugoslav-republic-of-macedonia.pdf).

FIGURE 1. CPD North Macedonia 2016-2020: share of indicative budget per outcome area

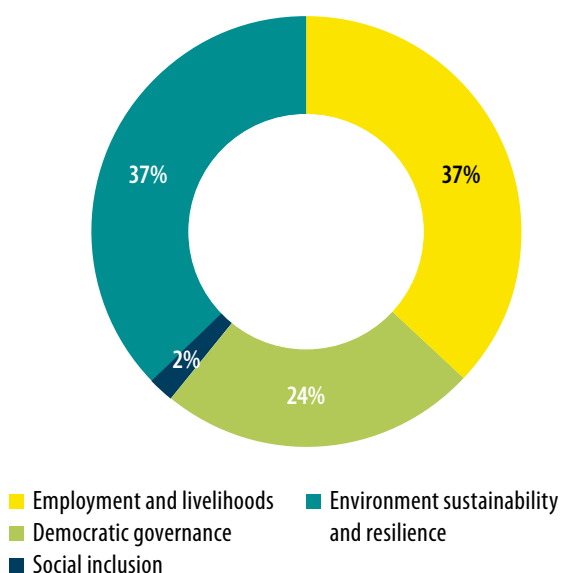


FIGURE 2. Evolution of expenditure by outcome area, 2016-2018

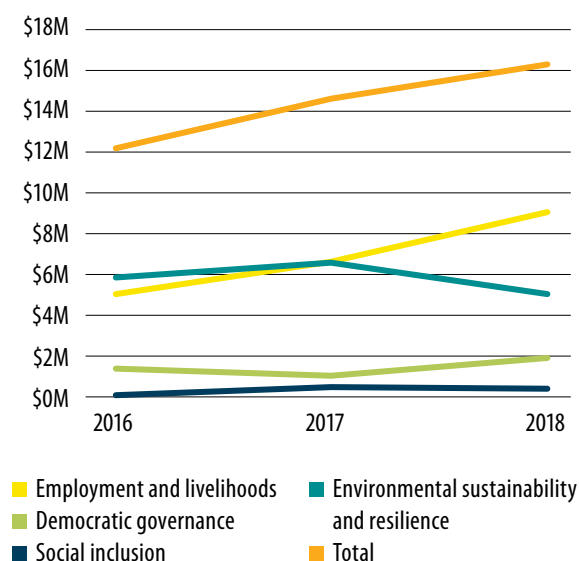
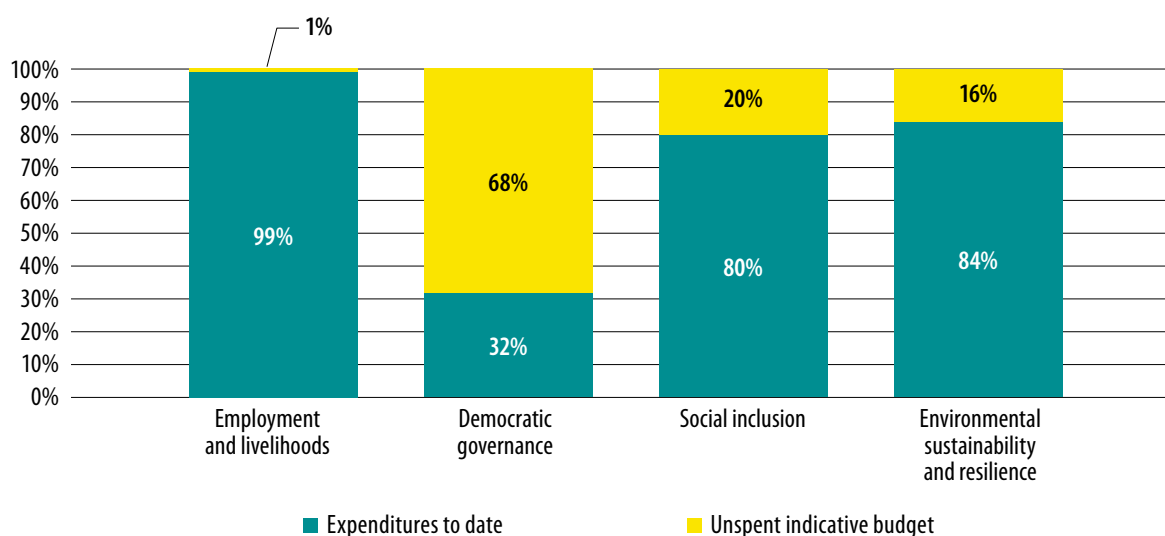


FIGURE 3. Expenditures recorded as share of indicative budget, end of 2018



In terms of indicative budget, the two largest outcome areas were employment and livelihoods and environmental sustainability and resilience. The funding foreseen for the social inclusion outcome area represented only 2 percent of the total indicative budget.

Overall, \$43.2 million was spent during the reporting period (2016-2018) on UNDP interventions across the four outcome areas, with the bulk of expenditures recorded in outcome areas employment and livelihoods and environmental sustainability and resilience.

At the end of the third year of implementation (2018), the programmes had already reached 77 percent of its indicative budget. The programme was on track to achieve and even exceed its funding targets in three outcome areas: employment and livelihoods, social inclusion and environmental sustainability. Progress with the democratic governance outcome area appeared much slower.

Employment and livelihoods

EXPECTED OUTCOME AND OUTPUTS

OUTCOME 1: By 2020, more men and women are able to improve their livelihoods by securing decent and sustainable employment in an increasingly competitive and job-rich economy.

OUTPUTS:

1. National institutions have improved capacities to develop, implement and monitor policies and measures that help to generate more sustainable jobs
2. Groups with low participation/employment rates gain the skills and access they need to secure decent jobs in the formal labour market
3. The education and training system is strengthened to provide people with the credentials and skills they need to meet labour market demands
4. National policies foster entrepreneurship, a positive business environment and sustainable private sector growth

Expenditures in the employment and livelihoods outcome area amounted to \$20.7 million, the highest amount recorded for the country programme in the first three years (2016-2018) and 48 percent of total country office programme expenditures during this three-year period. Through this work, UNDP aimed to increase employment by supporting national policy capacity, facilitate skills development with a focus on vulnerable populations, and promote entrepreneurship and a positive business environment.

UNDP has worked with the Ministry of Labour and Social Policy (MLSP) on designing and implementing employment policies to raise private sector employment and promote new and better paid jobs, one of the top government priorities, corresponding to CPD outputs 1 and 2. The UNDP 'Creating job opportunities for all (2016-19)' and 'Self-employment Programme (2015-18)' were aimed at reducing unemployment by building the qualifications and skills of the labour force in line with the labour market and promoting the growth of micro and small enterprises. UNDP reports that since the start of the 1st Self-Employment Programme (2007), more than 11,000 persons have opened their own businesses, 35 percent run by women, and 30 percent by young people.²⁷ The Community Work Programme targeted people from disadvantaged groups, helping them integrate into the labour market and find decent work. The Community Work Programme engaged unemployed persons in the provision of social services to the elderly, children and adults with disabilities at the local level, as well as training and licencing to the persons employed.

UNDP also collaborated with its partners on data collection and analysis to promote evidence-based policies and inform the design of new active labour market measures. The CPD helped fill educational gaps on the labour market through targeted Active Labour Market Measures (ALMM) and promoted entrepreneurship within the self-employment programme (outputs 3 and 4). At the policy level, UNDP supported the development of adult primary education.

²⁷ <https://www.mk.undp.org/content/north-macedonia/en/home/projects/self-employment-programme.html>

Democratic governance

EXPECTED OUTCOME AND OUTPUTS

OUTCOME 2: By 2020, national and local institutions are better able to design and deliver high-quality services for all residents, in a transparent, cost-effective, non-discriminatory and gender-sensitive manner.

OUTPUTS:

1. Local governance institutions strengthened to deliver services efficiently and equitably
2. Civil society groups, individuals and young people participate directly in decision-making processes and more actively monitor national and local institutions
3. National and local institutions have improved capacities to apply the principles of rule of law, accountability and transparency in the delivery of public services

The total country programme resources spent on democratic governance interventions amounted to \$4.3 million or 10 percent of the total expenditures recorded for the period (2016-2018). Within this outcome area, UNDP aimed at strengthening governance by fostering cooperation between local authorities and civil society and promoting the principles of the rule of law, accountability and transparency at national and local levels to improve access and quality of services delivery.

UNDP efforts in the democratic governance outcome area targeted the local level, with several interventions under output 1 aiming at enhancing the administrative capacities of local self-governments in delivering effective policies and services to the population, such as 'Innovative Solutions for Improved Access to Services', 'Improving Municipal Governance', 'Municipal Councils Support', 'Empowering Municipal Councils', and 'Regional Programme on Local Democracy in Western Balkans' (ReLOaD). An important intervention addressed the needs of two border municipalities in dealing with the consequences of the migrant crisis ('Support to Local Government Response to Migration Crisis'), an area of support not originally envisaged in the CPD although the intervention was clearly linked to local governance. Output 2 received less attention with a much smaller intervention targeting youth ('Giving a voice to Youth') and cooperation between municipalities and the civil society promoted through the 'ReLOaD' programme. There was no direct support in the field of anti-corruption and transparency, although a small amount of funding was recorded in the database in 2016, linked to a project belonging to the previous period.²⁸

²⁸ Strengthening the National and Local Integrity Systems, funded by Norway.

Social inclusion

EXPECTED OUTCOME AND OUTPUTS

OUTCOME 3: By 2020, members of socially excluded and vulnerable groups are more empowered to claim their rights and enjoy a better quality of life and equitable access to basic services.

OUTPUTS:

1. Statistical data generated to support evidence-based policies and programmes aimed at vulnerable and socially excluded groups
2. More socially excluded and vulnerable people participate directly in the design and delivery of social services
3. More persons with disabilities are able to realize their rights and enjoy better living standards in line with the UN Convention on the Rights of Persons with Disabilities
4. More members of the Roma community are able to realize their rights, enjoy improved living standards and opportunities, and overcome social exclusion
5. Institutions have improved capacities to develop and implement inclusive, evidence-based social policies and services that reduce inequality and social exclusion
6. Legislation on gender-based violence and discrimination is aligned with international standards, and institutions have enhanced capacities for effective prevention of discrimination and gender-based violence and protection of survivors

With total expenditures amounting to a little less than \$0.9 million, the social inclusion portfolio is the least endowed of the country programme (2 percent of the total).²⁹ Interventions focused on outputs 1, 3, 4 and 6. Within this outcome area, UNDP implemented two projects addressing the needs of people with disabilities. 'Deriving Data to Design Better Services for Persons with Disabilities' (2016-2017) generated proxy data to better understand the population size and locations of people with disabilities and the prevalence of specific disabilities. The project 'Working bottom up – building a local model for deinstitutionalization (2018-2010)' promoted the integration of persons with disabilities into the community by enhancing access to services.

UNDP assisted North Macedonia in its effort to prepare for the ratification of the Istanbul Convention through specific intervention in coordination with the Government (contributing to output 6). A specific ad hoc intervention (contributing to output 4) was implemented in the municipality of Shuto-Orizari to rebuild the municipality's only kindergarten for its predominantly Roma population.

²⁹ It can be noted that UNDP's contribution to this outcome was mostly reported under outcome 1, largely because of the way the overall UN programme (United Nations Development Assistance Framework) was designed. This is an issue that should be revisited when the new UN Sustainable Development Cooperation Framework is developed.

Environmental sustainability and resilience

EXPECTED OUTCOME AND OUTPUTS

OUTCOME 4: By 2020, individuals, the private sector and state institutions base their actions on the principles of sustainable development, and communities are more resilient to disasters and environmental risks.

OUTPUTS:

1. Industries have adopted environmentally friendly standards and technologies
2. Public and private actors have improved capacities to implement, monitor and evaluate policies related to environment, climate change and nature protection
3. Communities, supported by a strong framework of national policies and infrastructure, are better prepared to prevent and respond to disasters
4. National capacity to manage lakes and river basins is improved to deliver better water quality and a more balanced use of natural resources

The total country programme resources spent on environmental sustainability and resilience interventions amounted to \$17.4 million or 40 percent of the total expenditures recorded for the period (2016-2018). In this outcome area, UNDP sought to improve capacities for environment policies at central and local levels, to strengthen disaster risk reduction, promote the protection of natural resources and clean environment and the fight against climate change.

In the field of disaster risk reduction (DRR), UNDP was involved in flood recovery and prevention helping the country deal with the aftermath of the 2015 floods,³⁰ with interventions aimed at reconstructing damaged water/flood control and transport infrastructure and building maintenance capacities, while also helping to develop flood risk assessment and mapping.

UNDP's work in North Macedonia focused also on the management of river basins and protected areas, introducing, for example, a set of comprehensive measures to improve Lake Prespa and the Strumica river basin.³¹ UNDP has undertaken a comprehensive survey on how people in Skopje heat their homes – the first of its kind on such a scale in the country – supplemented by specific studies that analyse policy options to overcome the problem.³²

In the area of climate change, in addition to supporting national authorities with monitoring and reporting obligations under international agreements, UNDP provided policy advice to the city of Skopje in the development of its first climate change strategy. Finally, targeted actions helped raise environmental awareness within local self-governments, with UNDP promoting energy efficiency in the city of Skopje and three other municipalities of North Macedonia.³³

There was no intervention to address issues under output 1 "Industries have adopted environmentally friendly standards and technologies".

³⁰ Strengthening coordination mechanism on national level for flood response and early recovery (2015); EU Flood Recovery Programme; Improving Resilience to Floods in the Polog Region (2017-21); Reducing Flooding Risk in the Polog Region (2016-20); EU Recovery Programme – Improvement of Flood Prevention and Mitigation Response in Affected Areas (2016-2020); Reducing Flood Risk in Kumanovo Municipality (2017); Response to Flash Floods in Skopje and Tetovo, (2016-17).

³¹ Prespa Lake Ecosystem Restoration (2012-2017), Restoration of Strumica River Basin, (2010-2015).

³² <https://www.skopjesezagreva.mk>

³³ 'Enabling environment for energy management towards environmental sustainability' which was implemented in Skopje and the municipalities of Aerodrom, Kisela Voda and Karposh.



CHAPTER 2

FINDINGS

DEVELOPMENT effectiveness COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP
sustainability MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT responsiveness
COORDINATION HUMAN effectiveness COORDINATION AND PARTNERSHIP sustainability
TION relevance sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
ss COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MANAGING FOR RESULTS
RESULTS effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP sustainability
AND PARTNERSHIP sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
sustainability MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT responsiveness
NATION HUMAN effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP sustainability
TION relevance sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
ss COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MANAGING FOR RESULTS
COORDINATION AND DEVELOPMENT responsiveness NATIONAL OWNERSHIP sustainability PARTNERSHIP

2.1 Employment and livelihoods

Finding 1. UNDP's involvement in implementing Active Labour Market Measures (ALMM) has contributed to improving the effectiveness of employment policy in North Macedonia, and reduced unemployment.

UNDP has been providing valuable support to the Ministry of Labour and Social Affairs and the Employment Agency since 2007 with the design and implementation of active labour market policies to promote self-employment (including among persons with disabilities, or PwD), stimulate the growth of small and medium enterprises and social enterprises and bring disadvantaged groups (Roma, youth, women) to the labour market through activation measures.

The oldest and most important measure (in terms of financing) is the ongoing Self-Employment Programme,³⁴ which strengthens entrepreneurship skills among unemployed people willing to start their own businesses through training and equipment. The results are very positive with an impressive number of job creations and a business survival rate after three years: in the period from 2016 to 2018, the self-employment measure attracted a total of 8,114 unemployed persons to apply for the business start-up scheme, from which 3,063 were women (37.75 percent) and 3,162 (39 percent) by young people under age 29. Of these, 4,743 unemployed candidates underwent and successfully completed the training to strengthen their entrepreneurship and management skills (1,860 women or 39.22 percent and 1,900 or 40 percent youth). With UNDP support, 4,236 of the certificate holders prepared a business plan with the support of the Agency for Entrepreneurship Promotion (1,642 women or 38.76 percent and 1,702 or 40 percent youth) and 3,422 established their new small businesses (1,303 women or 38 percent and 1,368 or 40 percent youth). The

programme has been contributing to economic growth and the promotion of entrepreneurship. According to data from the central register, 12-15 percent of newly created businesses in the country are established as a result of the programme. Moreover, special support consisting of coaching and mentoring services has been implemented in pilot municipalities to increase Roma participation in the Self-Employment Programme, with very encouraging results.

Local stakeholders, including employment agencies and beneficiaries, welcomed UNDP's contribution to the transparent and effective implementation of the measure.

The scheme was adapted over the years to improve its effectiveness, including through the introduction of local mentors who accompany the self-employed people at the initial stages of their company. Given its success, the measure was integrated into the National Employment Strategy and the Employment Operational Plan.

A more recent measure initiated in 2012, the Community Works Programme (CWP), has also achieved valuable results, providing work opportunities to unemployed people (mostly women) in the social work sector while developing social services in the community for disadvantage groups (elderly care, early childhood development and supporting children and PwD). Between 2016 and 2018, 56 municipalities were supported, and 1,389 unemployed people delivered social services to 20,140 socially excluded people who have felt the benefits. The programme is now part of the National Employment Strategy.

While UNDP has encouraged the sustainability of newly created services by building the capacity and ownership of stakeholders, including by helping them to identify long-term sources of funding, the

³⁴ Since its launch in 2007, more than 35,000 people have applied to the Self-Employment Programme. More than 15,000 unemployed people have completed training in entrepreneurship and business skills development and nearly 12,000 have registered their own businesses.

limited financial capacity of municipalities remains an obstacle for maintaining and rolling out services created thanks to these projects.³⁵

In order to address the skills mismatch in the labour market, UNDP recently tested a new measure to improve coordination with private companies to identify training needs and facilitate the search for qualified workers, including through the creation of youth information clubs, which allow students to meet with company representatives and explore internship, volunteer and entrepreneurial opportunities within companies.³⁶

Overall, UNDP has contributed to enhancing the effectiveness of employment policy in North Macedonia by providing a high level of guidance and support to the staff of both the Skopje employment agency's headquarters and the agency's branches across the country in designing and implementing employment measures targeting the needs of the unemployed. The support is expected to be sustainable since most measures are integrated into the National Employment Strategy. However, the Government must take additional measures to support economic growth and job creation and allow greater activation of the vulnerable population, in particular those receiving minimum income benefits. Despite the good trends, in 2018 and the first half of 2019, unemployment remained high in the second half of 2019, with 17.5 percent of the active population unemployed. Moreover, labour market flexibility is weak mainly due to obsolete and unresponsive education and vocational training systems. UNDP has been advocating for closer links between the educational and labour institutions

to reform vocational training, with a pilot measure 'Training in skill demanded by the labour market', a part of the National Employment Action Plan.³⁷

The decision from the Ministry of Labour and Social Affairs to transfer full responsibility for implementing the ALMM to the Employment Agency is fully justified in the context of the EU accession process and the preparation for the European Social Fund, which the country will access once it becomes a member. While the hand-over is in fact in line with the CPD,³⁸ local stakeholders appear nervous about the future, despite the transition plan agreed between the UNDP and the Ministry of Labour and the Employment Agency (EA) and the additional assistance foreseen to accompany the hand-over process. The staff of EA branch offices felt that they lack resources and skills to implement ALMM with the same rigour and expertise as UNDP, fearing that the measures would consequently be less effective in terms of job creation and company survival rates. Many interviewed beneficiaries shared this concern.

UNDP contributed to strengthening adult education in North Macedonia, including by advising the Ministry of Education on introducing education and training activities in the country's penal and correctional institutions.³⁹

2.2 Democratic governance

Finding 2. The CPD framework for democratic governance proved overall well adapted to the needs of the sector. The emphasis on reinforcing governance at the local level was fully justified by the country's situation and needs.

³⁵ It should be noted that the CWP's bottom-up approach has led to changes in national policies to ensure sustainability. Thus, the function of personal pedagogical assistant for disabled pupils experienced through the CWP will be institutionalized with the new law on primary and secondary education, which will provide for the necessary budgetary allocation from 2020.

³⁶ To date, more than 13,000 students have visited and contacted the clubs and more than 80 companies have participated in outreach meetings to identify qualified employees.

³⁷ UNDP has also cooperated with the Ministry of Education and Science and the Adult Education Centre on two pilot measures (Training to meet local needs of skilled workforce and Vocational Training Centre) which were combined and integrated into the National Employment Action Plan.

³⁸ Output 1: "National institutions have improved capacities to develop, implement and monitor policies and measures that help to generate more sustainable job"

³⁹ A concept document for adult primary education and an integrated curriculum, consisting of 17 subjects was tested in detention centres, with 24 minors obtaining certificates in Macedonian language and mathematics. Another programme of social reintegration and employment preparation has enabled 233 inmates from four prisons in Northern Macedonia to complete courses in cooking, baking, locksmithing, hairdressing, carpentry, auto mechanics and welding.

UNDP interventions in this outcome area aimed to strengthen the capacity of municipalities to manage policies in support of local development more effectively while providing better services to citizens. The focus on the local level and the decentralization process was well justified, given the turbulent political development at the central level and the country's efforts to decentralize public policies. In this context, the CPD priorities coincided well with the urgent need of strengthening municipal governance and autonomy, improving accountability and transparency and building capacity for more effective, equitable and transparent services delivery.

Finding 3. The democratic governance portfolio consisted of a coherent group of interventions in line with CPD priorities that built on previous experiences and followed the same bottom-up approach, also addressing the needs of smaller, less developed municipalities.

UNDP interventions in the democratic governance outcome area share the same goal of enhancing local governance despite the different sources of funding and geographical scope,⁴⁰ contributing directly to the outputs identified in the CPD in terms of more open, transparent and accountable public policies and more effective and equitable services delivery at the local level.

Through the early stages of the EU-funded ReLOaD⁴¹ programme, UNDP helped set the stage for improved trust between local authorities and the civil society in five North Macedonian municipalities,⁴² by seeking agreement on a few development priorities,⁴³ and spurring interest from local nongovernment organizations (NGOs) to participate in service delivery efforts through the programme.

The methodology originally designed in Bosnia and Herzegovina to identify priorities and channel grant funding to civil society organizations (CSOs) is an example of successful dissemination of best practices in the region. The programme generated projects of general interest that have improved services and the quality of life of citizens, enabling civil society to participate actively in public policies. Interviewed stakeholders stressed that the involvement of the UNDP was key in ensuring that the process of selection of CSOs was transparent and fair. Some municipalities were even envisaging to apply similar procedures for outsourcing services to NGOs out of their own municipal budget.

However, the programme designed as a pilot only reached five municipalities.⁴⁴ Weak capacities continue to constrain the ability of civil society to engage with local authorities in defining development priorities and responses. Local NGOs are sometimes uneasy about adopting new standards (including reporting requirements) to which they are not necessarily used and find more time-consuming. Projects like ReLOaD, despite the undisputable results achieved at project level, could only marginally change the situation on the ground given the limited funding available. The new phase of the project is planned to start in late 2020, to include new municipalities, and aimed at making the established practices more sustainable.

UNDP's expertise in building the capacity of municipal councils⁴⁵ was also highly valued, especially because no other donor had addressed these needs before. The project run by UNDP helped municipal counsellors of selected municipalities fulfil their mandate through training and advice on how to represent citizens and oversee local policies more effectively.

⁴⁰ While 'Improving municipal governance' covered all 81 municipalities of North Macedonia (out of which 30 small and urban municipalities were involved in the design and implementation of integrated and inclusive local development plans), the regional ReLOaD programme focused only on five Macedonian municipalities.

⁴¹ Regional Programme on Local Democracy in the Western Balkans.

⁴² Strumica, Resen, Kavadarci, Gostivar and Kumanovo.

⁴³ For example, the municipality of Kumanovo and the ReLOaD project invited all civil society organizations in the country to submit project proposals that are consistent with the development goals of the municipality: 1. Environmental protection 2. Protection of human rights 3. Social cohesion and poverty reduction 4. Tourism and culture 5. Youth Initiatives.

⁴⁴ A second phase of the ReLOAD project is expected to engage an additional group of municipalities.

⁴⁵ SDC-funded initiative.

Both donors and beneficiaries appreciated the bottom-up approach adopted by UNDP, the ability to build on previous efforts and the emphasis laid on developing innovative solutions through pilot and replication phases, providing decision-makers with new tools for local policy development. For example, citizen satisfaction surveys were conducted to assess the quality of municipal services⁴⁶ and improve decision-making and planning. The e-Knowledge Platform on Local Development is another innovative instrument which integrates training materials, best practices and information generated by project activities. A new Internet platform⁴⁷ was created, providing open and transparent access to data on several development areas contributing to the quality of life in municipalities.⁴⁸ These efforts contribute to evidence-based policies which are being promoted by the Ministry of Local Self-Government, as well as planning, reporting and coordination mechanisms. The capacity of the ministry was also enhanced in conducting comparative analyses of LSGUs by gathering evidence factors influencing their performance.

UNDP enabled the piloting of new approaches before replicating them on a larger scale, giving the administration the possibility to get acquainted with new methods and the time to adapt internal procedures and rules. For example, the Quality of Life reports were first tested in ten municipalities with EU funding before being expanded to cover all 81 municipalities.

A similar piloting exercise took place on the role of municipal coordinator (including curricula development) who was recruited to improve communication between the municipality and the citizens. In the

field of municipal financial management, UNDP promoted innovative approaches, encouraging partnership cooperation with the private sector and the introduction of municipal bonds for capital investments and conducting a comparative analysis and feasibility study for the establishment of a New and Applicable Municipal Revenue Instruments based on a model first tested in Croatia. Many stakeholders interviewed for this evaluation welcomed projects that bring expertise from other countries, especially in the region.

Upon the request from ministry, UNDP also conducted a feasibility assessment to improve the role of neighbourhood units⁴⁹ in North Macedonia to better represent citizens' interests, increase their participation in the decision-making and contribute to effective service delivery. Recommendations were made on future scenarios for developing the legal framework for the neighbourhood units as a basis for discussion between the central and the local levels. The data generated by the monitoring system has been used as a reference source for the European Commission Progress Reports on North Macedonia, which demonstrates the usefulness and the reliability of results achieved by the project.

There was effective connection with other initiatives/institutions, such as the Association of the Units of the Local Self-government, a well-established actor in the local governance area, which delivered capacity-building activities to municipalities.

The lack of specific interventions in the portfolio to address youth and anti-corruption means that the country office could not report on the indicators selected to measure progress in these areas.⁵⁰

⁴⁶ Conducted once a year, the survey is based on multi-layered stratified representative sample of 1,022 respondents, who live in households in urban and rural areas across North Macedonia.

⁴⁷ <http://www.kvaz.mk/>

⁴⁸ The platform is a good example of UNDP building on achievements of a previous project: it is based on a methodology developed by UNDP with SIDA funding under the previous country programme and is now being continued under the project 'Building municipal capacity for project implementation' also with funding from SIDA, which will align the municipal development index to SDGs and build capacity for implementation of EU projects.

⁴⁹ The concept of the neighbourhood unit is a planning model for residential development in urban areas.

⁵⁰ The indicators reported in the ROAR 2018 are different from the ones indicated in the CPD and do not specify any baseline, target or measurement.

Finding 4. The country office responded to emergency needs linked to the 2015 migration crisis, supplementing the humanitarian aid provided by other UN agencies with actions seeking to enhance the resilience of two particularly affected municipalities.

In the aftermath of the 2015 migration crisis, which saw a large influx of refugees in the municipalities of Gevgelija and Kumanovo putting local infrastructure and services under severe strain, UNDP designed a project ('Support to Local Government Response to the Migration Crisis') intended to build the resilience of both municipalities in facing similar situations in the future. The intervention not only strengthened the capacities of municipal utilities in providing basic services in crisis situations (waste management, water supply, electricity) but also improved the communication and coordination between municipal authorities and crisis management bodies at the central level.

Finding 5. While the sustainability of results remains a significant question, there is also a great demand for further cooperation on the part of municipalities.

The sustainability of UNDP interventions in the area of local governance remains a major concern. The political crisis of 2016-2017 affected all levels of government, resulting in a significant turnover of municipal staff, many of whom the project had trained. UNDP had to deploy additional resources to restore relations between local actors, often by resuming/rearranging activities to ensure the sustainability of results. The absence of public financing mechanisms to maintain local services established through UNDP interventions is another major problem. Low ownership is also a challenge for the sustainability of outputs and outcomes, as many municipalities lack a strategic long-term vision and cannot maintain effective administrative capacity to reap the benefits from the decentralization process.

However, there is also evidence of progress with most municipalities able to develop local integrated and inclusive development plans themselves without the help of external consultants. In the strongest municipalities (e.g. Veles and Gostivar), local policy development relies on robust capacities which benefited from UNDP interventions. Overall, the local stakeholders interviewed strongly supported UNDP's continued engagement in the area of local governance.

2.3 Social inclusion

Finding 6. The rationale for a separate outcome area for social inclusion is not clear given the mismatch between the budget and expected outputs and the overlap with the employment and livelihood outcome area, which has a strong social inclusion dimension.

With a planned budget of approximately \$1 million, it was clear from the start that the CPD outputs would not be achieved. Over the reporting period, only three projects and one micro-project were implemented, making social inclusion the smallest portfolio of the CPD. As indicated in Chapter 1, there was no intervention implemented for three CPD outputs.⁵¹

Moreover, by design there was an overlap with the employment and livelihoods outcome area, which has a strong social inclusion dimension, with many active labour market measures targeting hard-to-employ people, such as the Community Work Programme that combined women employment promotion with the development of social services for disadvantaged groups in the community. From this point of view, there was a missed opportunity at CPD design stage to develop a more comprehensive outcome area combining social inclusion and employment measures to address the needs of disadvantaged groups in North Macedonia, although this was rectified during CPD implementation.

⁵¹ Output 1. Statistical data generated to support evidence-based policies and programmes aimed at vulnerable and socially excluded groups. Output 2. More socially excluded and vulnerable people participate directly in the design and delivery of social services. Output 5. Institutions have improved capacities to develop and implement inclusive, evidence-based social policies and services that reduce inequality and social exclusion.

UNDP conducted an in-depth survey on persons with disabilities in North Macedonia, which has informed employment and rehabilitation measures that are being implemented in partnership with civil society through UNDP's small grants programmes for self-employment, community work and local development. The survey results acknowledge that UNDP's support had contributed to better social inclusion of beneficiaries, although there remain legal and institutional impediments to better job opportunities and living standards for persons with disabilities.

Finding 7. UNDP support substantially improved the pre-school educational opportunities for the Roma population in the municipality of Shuto-Orizari, providing design and construction management for a new kindergarten.

With assistance from the Norwegian cooperation programme, UNDP helped construct the only kindergarten in the Roma municipality of Shuto-Orizari, one of the most deprived areas of Skopje. The building replaces the old school that burned down in 2017. When completed, it will give access to pre-school education to 200 Roma children from 2-5 years old in a modern space of 1,225 m². The new kindergarten complies with high levels of energy efficiency standards (energy class A) and provides a new nursery service for children aged 9-24 months.

UNDP was involved in all phases of design and construction, playing a major role in mobilizing all relevant stakeholders, engaging a dialogue between the municipality, the Ministry of Labour and Social Policy, the architects and the civil society to discuss the technical and architectural solutions, and reaching a consensus on the design of the new kindergarten. Despite these wide consultations, the kindergarten management has expressed some reservations about the final design, considering some solutions too advanced for the municipality (e.g. green roofs). However, they also acknowledged that the staff needed time to adapt to the new premises. A matter of greater concern was that the management did not seem to have clear

ideas about the changes to be made in the institution from a pedagogical point of view following the construction of the new building. Although it was not part of the project design, greater support in this area from UNDP would have been useful and could have contributed to the reform efforts for early childhood education.

The sustainability of the project's results seems assured since the kindergarten is a public institution funded by the Ministry of Labour and Social Policy and by the municipality itself. A second phase of construction is planned for the day-care centre for 100 Roma street children aged 4-18 years, which existed in the old building and is currently housed in unsuitable temporary premises. Funding for the second phase was secured from the same donor.

Finding 8. In the area of gender equality, a single UNDP intervention contributed to strengthening the institutional and legal framework for combating gender-based violence and domestic violence, contributing to the country's early ratification of the Istanbul Convention.

The project 'Preparing for the ratification of the Istanbul Convention' supported national partners in their efforts to combat gender-based violence and fill gaps in the system, mostly through advisory services. It was aimed particularly at high-risk women, such as women with disabilities, women belonging to minorities and women in rural areas. The social protection service for marginalized women is provided through the application of the principle of due diligence by lawyers trained in the primary health service, the application of standard operating procedures and improved services to shelters. The country's first three sexual assault centres were established in 2018 with UNDP support. Overall, this assistance has been instrumental in North Macedonia's ratification of the Istanbul Convention on Gender-based Violence and Domestic Violence.

UNDP also contributed to the development of the Equal Opportunities Law, which makes gender equality and gender mainstreaming mandatory in

national policies and administrative structures, with the law requiring, for example, ministries to appoint two persons as focal points for gender equality.⁵²

2.4 Environmental sustainability and resilience

Finding 9. The CPD was broadly aligned with national environmental priorities and the portfolio of projects covered most of the environmental issues identified in the CPD. Missing were intended interventions to encourage industries to adopt and comply with environmentally friendly standards and norms.

Overall, the UNDP environment portfolio responds to national needs and government priorities. Interventions are well aligned with the CPD and the Sustainable Development Agenda. UNDP helped build national capacities for greenhouse gas (GHG) inventories and mitigation modelling and analyses and supported national authorities in fulfilling their communication obligations in line with international climate change agreements providing relevant information and data on investment priorities across sectors.

As stated in the 2018 ROAR, UNDP commissioned a study which revealed that inefficient household heating is highly contributing to the emission of harmful particles in Skopje.⁵³ This study is now used as the main advocacy tool for mobilizing various stakeholders, including the Ministry of Environment, with an aim to trigger a coordinated, multisectoral effort to reduce air pollution, encompassing policy, regulatory and behavioural changes and capital investments.

Overall, the UNDP support activities are consistent with the objective of reducing GHG emissions indicated in the CPD. However, it is unlikely that they alone have significantly reduced the level of GHG emissions in the country.⁵⁴ Moreover, no intervention was implemented to encourage industries to adopt and comply with environmentally friendly standards and norms (CPD output 1).

Finding 10. UNDP implemented important interventions in line with CPD outcomes in the fields of disaster management and nature protection. Despite efforts to enlist civil society and local community support, there are concerns about the sustainability of results of some projects due to weak institutional capacity and lack of appropriate funding mechanisms.

North Macedonia is highly vulnerable to natural disasters, including earthquakes, heatwaves, forest fires and floods. Through the successful implementation of two large EU-funded Floods Recovery Programmes, UNDP has demonstrated its ability to manage large-scale water and transport infrastructure works, establishing itself as the country's 'go-to organization' on flood risk management.

UNDP support was also instrumental in strengthening disaster risk management, with Flood Risk Assessments prepared for almost all sub-river basins in the country and Flood Risk Management Plans developed for Strumica river basin, Polog region, Upper Vardar River in line with the EU Flood Directive.

The largest project in the portfolio 'Improving Resilience to Floods in the Polog Region' is considered a model for disaster risk management on a regional level.

⁵² Coordinator and deputy-coordinator for gender equality have been appointed in 42 line ministries and high-level public institutions and 81 municipalities (<http://www.mtsp.gov.mk>)

⁵³ The survey, which covered 5,044 households, revealed that only 21 percent of residents are connected to the central-heating system, whereas 45 percent heat their houses with wood accounting for at least 32 percent of total harmful emissions (<https://www.skopjesezagreva.mk>).

⁵⁴ 4.1. Greenhouse gas (GHG) emissions (CO₂ eq kT). Baseline (2012): 12,707.74. Target (2020): 11,309.89. The value of the indicator last calculated in 2017 was 11,662.

According to the ROAR, some tangible results of UNDP intervention in DRR included:

- Strumica river basin discharge capacity of rehabilitated canals increased by almost 50 percent, preventing on average an annual economic loss of \$50,000-\$100,000, from future flood events with a high probability of occurrence.
- In the Pelagonian region, more than 230,000 people living in six municipalities benefited from the investment reducing the risk of damages linked to floods occurring every 50 years, with an average cost of \$2,000,000 per year. These benefits are the result of the protection of approximately 5,500 hectares of agricultural land, 35 hectares of urbanized area and industrial zone, and 10 hectares of transport infrastructure.

On the downside, the lack of administrative capacity at central and local levels often puts the sustainability of results at risk. Interviewed state stakeholders often identify weak technical and management competencies among the staff and the lack of funding as the main reasons for ineffective environmental policies. The low involvement of the civil society in environment projects also plays its part, with NGOs usually only involved in side activities but without a real say on how to take over from donors at the end of a project. North Macedonia still lacks a strong framework of national policies to support communities in preventing and responding to disasters corresponding to output 3 of the CPD.

Long-term interventions involving the local population and all relevant institutions at local and central levels tend to achieve higher impact and sustainability as illustrated by the 15-year 'Prespa Lake Ecosystem Restoration Programme' aimed at introducing integrated watershed management of the Prespa Lake to deliver better water quality to the population with a more balanced use of natural resources. Over the years, the project has contributed to significant behavioural and organizational

changes in the targeted area, with UNDP promoting a clear division of responsibilities between municipalities, CSOs and central authorities. Understanding the importance of its role in protecting natural resources, the municipality of Resen has established a Sector for Environment Protection consisting of two departments, one for Nature Protection and the second one for Waste Management and Integrated Pollution Prevention and Control. The municipality has also assumed the responsibilities of management authority for two protected areas within its territory (Ezerani Nature Park and Lake Prespa Monument of Nature). The creation of a permanent structure, the Prespa Lake Watershed Management Council, representing all important interests⁵⁵ is another important mechanism for guaranteeing the sustainability of results. A measure of the success of the intervention is the fact that UNDP decided to discontinue its support, considering that counterparts have now enough capacity to carry on activities on their own.

In contrast, the one-time project for the Strumica river basin's restoration, despite impressive short-term results, was weaker on sustainability as no financing mechanism at the central level is in place to ensure the regular management of the basin is carried out. Local communities must also be engaged to keep the basin 'clean' if future floods are to be avoided.

Most importantly, UNDP interventions demonstrated that the active involvement of the local population in the identification of local initiatives for the protection and responsible use of natural resources could lead to improved socio-economic development for the communities. Thanks to UNDP contribution, more than 80 percent of local farmers have adopted agro-ecological practices, reducing water consumption for irrigation by nearly 60 percent and pesticide use by 30 percent. This approach has been replicated and scaled up in the Strumica river basin, where the introduction of more sustainable practices to reduce the use of pesticides and fertilizers, rationalize water

⁵⁵ For example, municipalities, state institutions/agencies, nature parks, NGOs, Ministry of Environment, water users' associations and research/academic institutes.

consumption for irrigation, apply integrated pest management among fruit and vegetable producers has resulted in an increase in land under improved agroecological agricultural practices from almost zero to 360,000 ha.

Through carefully designed activities implemented in the framework of the 'Improving the Management of Protected Areas' project, UNDP helped to trigger transformational change by creating scalable and replicable examples for 25 protected areas. The project included a significant grant component for NGOs and management bodies of the protected areas. A comprehensive capacity-building programme accompanied the grant application processes. The economic and social benefits of the intervention are evident in the case of the three National parks involved. The management bodies have used the grants mainly to enhance their management capacities and expand their tourism offer (for example, by creating an arboretum or reintroducing autochthonic species), while NGOs have improved their capacity to monitor and protect the environment and to promote these areas as tourism destinations.

While sustainability appears high in the case of grant projects managed by large institutional beneficiaries (i.e. the three national parks), it is much less evident for projects implemented by local NGOs and small municipalities, which would require further support to consolidate results.

Finding 11. UNDP positively contributed to North Macedonia's climate change efforts, helping establish a nationwide monitoring, reporting and verification system in accordance with the Paris Agreement.

UNDP promoted partnerships with key ministries (Environment and Agriculture) to increase the public awareness of ecological threats not only to the broader public but to policymakers responsible for translating global climate commitments into

national policy measures. The recent ratification of the Paris Agreement implies that the country must develop its long-term institutional and technical capacity related to energy and climate action. In this regard, the country office supported the Ministry of Environment in the implementation of the Paris Agreement with a focus on strengthening capacities of the national institutions to meet transparency and reporting requirements and ensuring continuity of the preparation of National Communication/Biennial Update Reports on Climate Change.⁵⁶ UNDP assisted the city of Skopje in developing its first climate change strategy⁵⁷ and helped establish a nationwide monitoring, reporting and verification system, in accordance with the Paris Agreement. It also helped the Government develop its first gender/climate action plan which outlines concrete steps and responsibilities related to mainstream gender into subsequent reporting to the UN Framework Convention on Climate Change (UNFCCC).

2.5 Results management

Finding 12. Although effective monitoring practices are generally in place for projects, assessing their effectiveness and cumulative impact is more difficult with a results framework that does not easily capture the contribution of UNDP interventions to CPD outputs and outcomes as well as progress towards the SDGs.

Overall, UNDP interventions appear to be well monitored during their implementation, with project implementation measured at the output, outcome and impact level, with UNDP staff carrying out their monitoring tasks competently with the support of the M&E officer. On the downside, only a few interventions were evaluated at the end of their implementation period.

The link between project and programme implementation is more tenuous, given the difficulty of accurately measuring the contribution of

⁵⁶ As part of its current CPD, UNDP is supporting the development of the 4th National Communication on Climate Change and 3rd Biennial Update Report.

⁵⁷ Climate Change Strategy – Resilient Skopje, which was adopted in February 2017.

UNDP interventions to CPD indicators at output and outcome levels. The inadequacy of some CPD indicators is explained by the fact that they are developed during the programming process with incomplete information on the availability of funding sources and/or the scale of future interventions. There is also no effective mechanism to measure the contribution of UNDP interventions to the achievement of the SDGs, which are not reflected in the results framework.⁵⁸

2.6 Portfolio management

Finding 13. While there is a high degree of focus under the employment and livelihoods and the democratic governance portfolios, the environment and resilience portfolio is more fragmented. Overall, the level of funding appears insufficient to contribute significantly to the ambitious outputs and outcomes identified in the CPD.

In total, the CPD numbered 41 projects. While there is a high degree of focus in the employment and livelihoods and the democratic governance portfolios, the environment and resilience portfolio is more fragmented with a total of 19 projects. However, the portfolio focuses on three main areas (climate change, sustainable management of natural resources and disaster risk management) and also includes large-scale projects of above \$500,000. As already noted, the social inclusion portfolio is clearly underfunded, although this is an issue of design rather than implementation. Targets appear over-ambitious, especially in the environment outcome area (e.g. reduction of GHG emissions) considering the budget and scope of the interventions. Overall, further strengthening of synergies across portfolios is needed, to reduce the number of projects.

As already noted, the country office demonstrated significant flexibility in response to new needs during the programme cycle under review, as illustrated by the support provided to two border

municipalities in dealing with the migration crisis, and its 'building back better' efforts in response to widespread flooding in 2015.

2.7 Joint programming

Joint programmes have proven difficult to establish with UN agencies seeing limited added value in inter-agency cooperation beyond access to new funds.

Little progress has been made in deepening inter-agency cooperation. While two joint programmes were implemented in the previous cycle,⁵⁹ there was only one example of inter-agency cooperation in the current CPD on a project involving UNDP, UN Population Fund (UNFPA), UN Women and UN Children's Fund (UNICEF) supporting deinstitutionalization reforms for disabled people.

There is little appetite within UNDP for more joint programming as it is considered difficult and costly to establish and manage, especially when no additional funds are involved. In practice, joint programming often consists in integrating into a common framework what each agency had already planned separately.

At the technical/project level, cooperation with other UN agencies is generally very good (for example, with the International Organization for Migration on the migration crisis), with country office staff maintaining regular contacts with their counterparts in other agencies to coordinate activities and seek synergies, with the notable exception of the UN Office for Project Services (UNOPS), which recently opened an office in North Macedonia to implement the 'Nordic Support for Progress of North Macedonia' programme funded by Norway and Sweden. With a focus on institution and capacity-building to prepare the North Macedonian administration for EU membership (including an infrastructure component at the local level), the programme is closely linked

⁵⁸ The UNDP Strategic Plan 2018-2021, which establishes a direct link between UNDP priorities and the SDGs, should contribute to a simpler and more effective framework within which CPD priorities can be planned, implemented and assessed.

⁵⁹ Joint programme on preventing domestic violence involving five UN agencies (UNDP, UNICEF, UN Development Fund for Women [UNIFEM, now part of UN Women] UNFPA and World Health Organization) and Joint programme on enhancing inter-ethnic violence involving three UN agencies (UNDP, UNICEF and UN Educational, Scientific and Cultural Organization).

to the democratic governance outcome area of the CPD. However, no consultation has taken place with UNDP, and the rationale for involving UNOPS rather than UNDP remains unclear.

2.8 Gender

Finding 14. While the CPD did not tackle gender issues through one of its outcomes, the performance of the country office in mainstreaming gender issues is satisfactory, with several interventions directly targeting women or integrating the principles of gender equality.

Between 2016 and 2018, the country programme budget was spent predominantly on projects designed to contribute to gender equality and women's empowerment, with almost 60 percent of project expenditure classified under the GEN-2 marker.⁶⁰ The employment programme was strong on gender mainstreaming, with special measures focusing on improving job opportunities for women. The CWP targeted mainly women (over 80 percent of programme participants are women) with valuable training, on-the-job learning and work experience, enhancing their skills, increasing their self-confidence and improving their employability.

In the field of governance, UNDP organized a two-day workshop for women in politics on 'SDGs and Agenda 2030' in cooperation with the National Democratic Institute. The workshop welcomed 120 women active in local politics, including mayors, members of Parliament and ministers.

In the environment outcome area, most projects fell under the GEN-1 marker, except for 'Improving the Management of Protected Areas', which supported the first-ever analysis on gender mainstreaming in the management of protected areas, and 'Improving Resilience to Floods in the Polog Region', which included a gender-sensitive vulnerability assessment of people living in risk areas. The selection criteria of the grant programme for farmers in Prespa and Strumica encouraged women's participation, with 20 projects promoting sustainable agricultural practices led by female farmers. UNDP also helped the Government prepare a gender-sensitive climate action plan, outlining concrete steps and responsibilities to integrate gender considerations into UNFCCC reporting.

There was only one GEN-3 project under the social inclusion outcome, which related to the preparations for the ratification of the Istanbul Convention. The country office provided support to national partners to fight gender-based violence and address gaps in the legal and institutional frameworks through policy advice and training, including by introducing and promoting the due-diligence principle among public prosecutors and legal practitioners. The country's first three sexual assault referral centres were established with UNDP's support in 2018.⁶¹ The support with the preparation of the plan for the Istanbul convention has borne fruit, with North Macedonia signing the convention in 2017 as a result of the UNDP support among other factors.

⁶⁰ UNDP projects are given gender markers of 0, 1, 2, or 3. GEN-0 relates to outputs that do not contribute noticeably to gender equality in any way; GEN-1 relates to outputs that will contribute in some way to gender equality, but not significantly; GEN-2 relates to outputs that have gender equality as a significant objective; and GEN-3 relates to outputs that have gender equality as a principal objective.

⁶¹ In Kumanovo, Tetovo and Skopje. The opening of the centres was accompanied with the development of multisectoral standard operating procedures as an important contribution to the institutional response to gender-based violence.



CHAPTER 3

CONCLUSIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSE

DEVELOPMENT effectiveness COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP
sustainability MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT responsiveness
COORDINATION HUMAN effectiveness COORDINATION AND PARTNERSHIP sustainability
TION relevance sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
ss COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MANAGING FOR RESULTS
RESULTS effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP sustainability
AND PARTNERSHIP sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
sustainability MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT responsiveness
NATION HUMAN effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP sustainability
TION relevance sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT effectiveness
ss COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MANAGING FOR RESULTS
COORDINATION AND DEVELOPMENT responsiveness NATIONAL OWNERSHIP sustainability PARTNERSHIP

3.1 Conclusions

- **Conclusion 1. The CPD reflected well the country's development priorities. While UNDP interventions helped strengthen local governance and employment policy, the results and impact achieved in the social inclusion and, to a lesser degree, in the environment outcome areas were more modest due to the low number of planned interventions and/or the lack of sustainability.**

The CDP was well aligned with national priorities, reflecting the consensus reached by stakeholders in the PSD on the development challenges facing North Macedonia. High rates of unemployment and social exclusion, weak public governance (especially poor service delivery) and high exposure to environmental risks are all addressed in the CPD. The political upheavals that the country experienced in recent years have not challenged this framework.

Most of the programme expenditures during the period (2016-2018) were recorded in the fields of employment and environment (88 percent of the total), reflecting the greater availability of funding in these areas.

Since 2007, the Government has been channeling a considerable amount of state funding to UNDP to fight unemployment through active labour market measures implemented in the context of the national employment policy. The expertise deployed by UNDP played an important role in enhancing the effectiveness of policies implemented in terms of job creation.

The environment portfolio significantly expanded following the Government's and the EU's decision to give UNDP a central role in coordinating responses to the 2015 flash floods, which culminated in the implementation of the EU Flood Recovery Programme (€10 million) that helped

reconstruct and rehabilitate damaged transport and river water infrastructure.⁶² Further funding to improve flood risk management in the Polog region was entrusted to UNDP by the Swiss Agency for Development Cooperation (SDC).⁶³

Building on the long-term partnership established with the Government in this area, UNDP interventions were also instrumental in raising administrative capacity for the management of natural resources. However, the outcome area included very ambitious targets that proved unachievable through the interventions of a limited scope that were implemented. Moreover, the continuing lack of effective systems at the national level for implementing and monitoring policies affect the sustainability of results.

In the field of social inclusion, the results were also disappointing mostly because of insufficient interventions having been planned, with an indicative CPD budget representing only 2 percent of the total. The decision to have a separate outcome area for social inclusion in the CPD was therefore questionable.

The democratic governance portfolio, while bigger in terms of planned budget, is still very far from reaching its funding target. However, it has a clear focus on local governance and the cumulated results of its interventions amount to an important contribution to the ongoing decentralization process and to the country's efforts to address development disparities among its regions and prepare for its participation in EU Cohesion Policy upon accession.

Overall, the opportunities for intersectoral interventions that address the needs of target groups from various perspectives have not been sufficiently addressed. Employment measures targeting vulnerable people have seldom linked to social inclusion initiatives. In the environmental

⁶² The EU also gave €4 million for the management of protected areas.

⁶³ CHF 10 million.

field, climate change measures have not been complemented by engagement in social and political processes.

- **Conclusion 2. UNDP support proved even more necessary and timely in the particularly difficult environment in which the CPD was implemented, which often required a high degree of flexibility and adaptation.**

The drafting and implementation of the CPD took place against the background of severe political tensions in the country, with massive street protests and violence in the Parliament. While the political situation has stabilized since the formation of the Government in 2017, the change of counterparts across the administration slowed down the implementation of many interventions. With the replacement of more than 80 percent of mayors across the country following the 2017 local elections, UNDP interventions to strengthen municipal governance have become even more relevant, although many project activities have had to be adapted and rescheduled as a consequence.

The migrant crisis and natural disasters put an already fragile administration under further strain. UNDP has played an important role in dealing with the consequences of the 2015 flash floods while putting measures in place to prevent similar events or minimize their impact. In collaboration with other United Nations agencies, it has also intervened to respond to the challenges of the migrant crisis by addressing the urgent needs in two border municipalities, through which a massive flow of migrants was transiting.

- **Conclusion 3. UNDP has managed to attract an increasing amount of resources for the country programme while co-financing arrangements facilitated policy implementation at the local level.**

Thanks to its strong reputation and close relationships with the Government and major donors, UNDP has succeeded in doubling its funding base since 2012. In the first three years of the CPD implementation (2016-2018), expenditures totalled €43.5 million representing 77 percent of the five-year indicative CPD budget (\$56.3 million). The significant increase in cost-sharing from the Government compensated for the reduced levels of ODA to North Macedonia. Most interventions implemented at the local level also required co-funding from the municipalities. Furthermore, UNDP support was often a motivating factor for local authorities to implement specific policies, which they would have struggled to implement with their own resources and expertise. UNDP support, for example, was a crucial factor in the city of Skopje's establishment of an Innovation Lab,⁶⁴ which contributed to better services to the citizens in line with the country programme outcomes for democratic governance.

- **Conclusion 4. While UNDP is recognized as a reliable partner by both donors and the Government, there is a risk that UNDP's involvement in some sectors could diminish incentives for government ministries to strengthen internal capacities.**

Most of the interlocutors interviewed within the Government and the donor community expressed high satisfaction with UNDP's professionalism, in terms of sector expertise, management skills and commitment. Major donors, such as the EU and SDC, look to UNDP when seeking to make rapid progress and/or guarantee a certain level of results. This was the case, for example, with the implementation of the EU Flood Recovery Programme, which required strong organizational and management capacities to meet urgent needs across the country that could not easily be found in the administration.

⁶⁴ The Innovation Lab consists of a space and a set of protocols to bring together the public administration, the private sector and the civil society to brainstorm, develop and test ideas, experiment and learn from each other.

From the point of view of beneficiaries, one of the main advantages of UNDP over other development agencies is its continued presence in the field, which facilitates the establishment of strong partnerships with local stakeholders. Many interviewees also appreciated the impartiality with which UNDP operates, the flexibility demonstrated by UNDP and the commitment shown during implementation in contrast to other donors, with UNDP project outputs often exceeding expectations. This was the case with the project 'Improving Municipal Governance', when the UNDP team repeated some of the project's activities free of charge, following the renewal of mayors and municipal staff in the aftermath of the 2017 municipal elections.

UNDP has recognized the need for programme 'exit' strategies and post-project financing arrangements,⁶⁵ yet there remains a tendency for UNDP to step in as an implementing body at government request, to compensate for administrative gaps. This raises questions about the sustainability of some interventions and whether sufficient progress is being made on public administration reform. While donors welcome UNDP as a development assistance provider, they are also increasingly aware that this approach is not optimal for reinforcing the country's administrative capacities or achieving its EU accession ambitions.

- **Conclusion 5. The EU accession process, rather than the 2030 Agenda, is the main driver of North Macedonia's national development policies and reforms but the two processes are largely self-reinforcing.**

Although the CPD programming exercise successfully translated national development priorities into the common UN framework, in practice, North Macedonia's policies are being shaped by the overarching goal of achieving EU membership rather than the 2030 Agenda, with EU accession criteria driving political, economic, administrative and institutional reforms in the country. However, the EU accession process acts as a catalyst for achieving the UN objectives for sustainable development since many of the considerable efforts required from North Macedonia to adopt EU norms and standards and fulfil membership obligations, including strengthening the rule of law, improving environmental protection or dealing with unemployment and poverty, are contributing to the SDGs.

⁶⁵ For example, to ensure the sustainability of some measures implemented in cooperation with the MLSP (employment support for the Roma and professional rehabilitation of people with disabilities), UNDP has developed a pricing model allowing NGOs to be recognized as social service providers and thus ensuring their funding within a legal framework.

3.2 Recommendations and management response

Recommendation 1.



While the current CPD outcome areas remain largely relevant, the emphasis should be on integrated cross-sectoral interventions promoting balanced, inclusive and sustainable development across the country.

In terms of funding, the current CPD focused on employment, environment and local governance. These issues remain important and closely linked priorities for the country's development. North Macedonia continues to suffer from low activity levels and high unemployment, which contribute to poverty and exclusion. Slow growth and job shortages are driving more and more people, especially young and educated ones, to seek better living conditions abroad, jeopardizing the country's economic future. With climate change, already vulnerable local communities are facing an increasing risk of environmental disasters whose costs can hinder their development.

In this context, the priority for future interventions should be to improve people's income and employment opportunities to raise living standards, targeting firstly the poorest and most vulnerable, within the overall objective of promoting balanced, inclusive and sustainable development. Given the interrelated nature of the country's challenges, the efforts made during the current period to better integrate UNDP interventions across the various portfolios must be continued and strengthened as well as advice and expertise to improve systems and policies at the national level. This is particularly true in the field of social inclusion where addressing the needs of the most disadvantaged groups require targeted measures that integrate education, social protection and employment aspects.

Management response: Accepted.



The CO will apply a systems lens to the complex development challenges, highlighting interdependencies, tapping into narratives of transformation and activating dynamic portfolios that cut across sectors and geographic boundaries.

Recommendation 1 (cont'd)

Key action(s)	Completion date	Responsible unit(s)	Tracking*	
			Comments	Status (initiated, completed or no due date)
1.1 To adopt a more rigorous internal approach to ensure that interventions under the forthcoming CPD adhere to the principles of holistic/integrated, balanced, and inclusive development. By opening the project design processes to different UNDP units regardless of their primary focus would enable the development of longer-term, complex and transformative interventions seeking to address the key root causes to current sectoral inefficiencies.	Ongoing	Cross-cutting All portfolios or Lead portfolio Lead by DRR		No due date
1.2 To investigate possibilities of improving implementation approaches of selected ongoing projects (at least one per portfolio) by strengthening the cross-sectoral aspects regardless of their thematic focus (for example, social and governance aspects of air pollution). The CO has started to explore portfolio approaches to better address complexity through collaborative narrative across vertical sectors and cross-cutting levers. The CO will focus on the design of new options through problem space design and mapping of existing projects and identifying areas for new integrated cross-sectoral interventions.	Ongoing	Cross-cutting All portfolios or Lead portfolio Lead by DRR		No due date

Recommendation 2.



The results framework and evaluation practices should be strengthened to better capture programme achievements and better assess contributions to SDG targets.

There is a need to evaluate more frequently the results and impact of completed projects in order to capture and share lessons learned, inform new policy directions and decide on the best ways to implement future projects. More generally, there is a need to strengthen the results framework to better reflect the contribution of the CPD to the SDGs and to improve the design of gender-specific indicators at outcome and output levels.

Management response:

Accepted.



The CO will explore approaches which will provide evidence-based results and evaluation practices to serve as a good source of information for assessing contribution to the SDGs.

Key action(s)	Completion date	Responsible unit(s)	Tracking	
			Comments	Status (initiated, completed or no due date)
2.1 To introduce an approach requiring more regular capture and documentation of results and lessons learned (at least on a yearly level) as well as their incorporation in new projects (to ensure continuity and support sustainability of earlier interventions).	Ongoing	All programme units		No due date
2.2 To adopt an approach of SDG-oriented prioritization of indicators in all future Results and Resources Framework (RRFs) to the extent possible. Alternatively, new indicators should be derived from the SDGs based on internal metrics (NOTE: first attempts in this direction have already been made by the UN in the country).	Ongoing	All programme units		No due date

Recommendation 3.



Support for effective employment policies should continue with a focus on women and young people and complementary measures in the field of social inclusion.

The challenges of the labour market call for a wider range of employment measures. While the unemployment rate has fallen from 32 percent in 2010 to 15.5 percent in the first half of 2019, the downward trend obscures the low participation rates, especially among women, and the large informal economy that mainly employs low-skilled workers. Youth unemployment remains excessive. The vocational education and training and adult education systems are not dynamic and responsive enough to close the gap between labour market supply and demand. In this context, UNDP should provide additional support with the design and testing/evaluation of new employment measures to better meet the needs of hard-to-employ groups, with a focus on young people and women. Efforts to improve the relevance of the educational offer should also be intensified to help address the growing skills mismatch.

Management response:

Accepted.



The CO will continue its focus on strengthening even further the measures in the field of social inclusion and will explore opportunities with a particular focus on women and youth, including persons with disabilities among youth and women.

Recommendation 3 (cont'd)

Key action(s)	Completion date	Responsible unit(s)	Tracking	
			Comments	Status (initiated, completed or no due date)
3.1 Focus on youth and women is already part of the ongoing employment programme. Relevant and demanded skills will be secured through better skills needs anticipation, testing of an innovative approach for overcoming skills gaps and working directly with the private sector to refine both formal and informal vocational training, so that young people develop the skills that companies need. With the establishment of the youth resource centre in the Polog region activities are slightly focused on digital tools and innovation, as the primary area of interest to youth, as well as building partnership with the private sector to support the process of gaining required skills. Successful models will give us the basis to expand the programme to the other regions, pending donors interest.	2022	Social Inclusion		Initiated
3.2 Through a dedicated programme on building capacities of national partners and service providers, issues related to activation of young persons with disabilities will be further explored.	2021	Social Inclusion		Initiated
3.3 Additional analysis will be undertaken to better understand barriers to activation of women in the labour market. Specific focus will be given to formalization of care services and support capacity-building of service providers to tackle the issue of care economy.	2022	Social Inclusion		Initiated

Recommendation 4.



UNDP should scale up subnational interventions, encouraging inter-municipal cooperation and reinforcing the role of regional planning in the context of EU integration.

Given its strong relationships with local stakeholders across the country and responding to needs from different perspectives, UNDP is well-positioned to continue supporting subnational governments in the decentralization process, promoting the principles of partnership and project-based management and helping local authorities become drivers of change in cooperation with civil society and other local actors.

Efforts to introduce e-governance and innovation into local governance should be intensified to improve service delivery and combat corruption, examining all aspects of local policies and service delivery from a technological, regulatory and/or administrative perspective and testing new approaches in pilot municipalities before replicating them on a larger scale.

UNDP should encourage municipalities to pool their resources and capacities to address more efficiently common development challenges. In the environment sector, this could mean working to promote greater synergies between local economic development and nature protection. To that end, UNDP should consider working with the Government to establish a Global Environment Facility Small Grants Programme in the country, learning from successful SGP programmes in neighbouring countries (e.g. Albania, Armenia, Romania).

North Macedonia has established regional centres to promote the natural and economic potential of its eight planning regions. UNDP could provide support, for example, by mobilizing stakeholders in the development of strategic projects, at the level of several municipalities or even the entire planning region, to target funding from the EU and international financial institutions.

Finally, UNDP should support capacity development at the national level to link with local governments, channelling funding for new services and showcasing the most effective programmes.

Management response:

Accepted.



Under priority 3 of the new CPD 2021-2025, the CO will continue to provide support for more effective governance including the strengthening of the mechanisms for inter-municipal cooperation and planning and pooling the resources to address regional and cross-boundary challenges.

Recommendation 4 (cont'd)

Key action(s)	Completion date	Responsible unit(s)	Tracking	
			Comments	Status (initiated, completed or no due date)
4.1 The CO will document lessons learned of successful subnational interventions that have yielded high impact and will use these for evidence-based policy-making on inter-municipal cooperation and regional planning. The CO has a plan to upgrade the portfolio with interventions on inter-municipal cooperation and integrated and inclusive local and regional planning in the context of EU integration. The interventions will be aimed at providing support of the National Inter-Municipal Commission and at promoting the mechanism in the work of the line ministries in order to ensure more effective implementation of their decentralized functions. Further emphasis will be put on resource mobilization for the promotion of inter-municipal cooperation and scalability of already tested models to other municipalities and regions.	2021	Governance Unit in cooperation with other programme units		Initiated
4.2 The CO is already implementing projects that are aimed at supporting further decentralization through policy and advice and expertise in the light of the preparation of the new Programme for sustainable local development and decentralization 2021-2026 where regional development and inter-municipal cooperation have been identified as strategic priority areas. The CO will continue to support national counterparts in reconceptualizing the diversity of approaches to inter-municipal collective action considering especially the planned transfer of additional competencies from the central to the local level.	Ongoing	Governance Unit		Initiated

Recommendation 5.



UNDP should continue to focus its environment portfolio on climate change and disaster risk reduction, with greater emphasis placed on helping the Government address the causes of air pollution.

Improving air quality in the main cities in North Macedonia will feature high on the Government's agenda.⁶⁶ Given UNDP's track record in this area, it is recommended that the country office use data from the study of Household Heating⁶⁷ to plan and implement innovative pilot projects to experiment possible measures to reduce the use of plastic and cheap coal for heating purposes by low-income families in Skopje's suburbs. As the issue has a strong social dimension, it is also recommended that the UNDP environment and social inclusion sectors work in close cooperation.⁶⁸

Although the Government is showing greater commitment to promoting energy efficiency and the use of renewables, climate change still does not rank high in the country's priorities. In this context, UNDP should support the Government with public awareness campaigns to shift the knowledge of ecological threats from a narrow group of experts and policymakers to the broader public and to encourage behavioural changes needed to fight climate change. Efforts to build institutional and technical capacity of national authorities for measuring and reporting on emissions, mitigation and adaptation activities in line with the Paris Agreement should be pursued in the next CPD.

Given that a large part of North Macedonia still lacks a multisectoral approach to disaster reduction, UNDP should continue to work on DRR, building on the achievements of the current period to promote integrated disaster risk reduction systems addressing all forms of risks, moving away from purely reactive interventions. The emphasis should be on the establishment and integration of effective prevention and response systems, taking into account the different needs of the population, particularly those most at risk of exclusion (the elderly, women, people with disabilities), including by integrating a gender perspective into DRR interventions to promote the equitable participation of men and women in environmental risk management and disaster prevention.

⁶⁶ Interview with Deputy Minister of Environment.

⁶⁷ <http://www.mk.undp.org/content/north-macedonia/en/home/presscenter/articles/2018/01/17/major-new-survey-of-household-heating-identifies-some-key-causes-of-skopje-s-soaring-levels-of-pollution.html>

⁶⁸ Some possible other measures to tackle the air pollution problem should include: continued cooperation with the Ministry of Environment on climate change and monitoring/mitigation of polluting gases; lobbying the Government to design and implement more vigorous policies to address the issue; expand the study on the main polluters to all main cities in the country (Bitola, Tetovo, Veles, Kavadarci) where it seems that the problem is not only caused by domestic heating but by factories as well; identify, plan and implement, in close cooperation with the EU, a multi-year plan for reducing air pollution in the country's main cities.

Management response:

Accepted.



Under priority 2 of the new CPD 2021-2025, the CO will continue to provide support for stronger policy frameworks and local implementation capacities for climate change and disaster risk reduction. The CPD RRF has specific outputs related to climate change, disaster risk reduction and air pollution.

Key action(s)	Completion date	Responsible unit(s)	Tracking	
			Comments	Status (initiated, completed or no due date)
5.1 To date, the CO's interventions in climate change and DRR were focused on policy advice and provision of technical expertise, with several ongoing projects on central and local levels. The CO has a plan to expand the portfolio with interventions on climate change adaptation and promotion on climate change mitigation through the introduction of new technologies and the creation of green jobs.	Ongoing	Environment and Energy (E&E) and DRR Unit in collaboration with other programme units		Initiated
5.2 The CO is already implementing one project aimed at supporting the Government in addressing the causes of air pollution in the capital city through demonstration of a multi-pronged intervention and establishing a fully functional platform that brings all traditional and non-traditional partners to work together to address the issue. The results and lessons learned from this project will be analysed and used to shape the future resource mobilization and strategic positioning of UNDP in the area of air pollution.	Ongoing	E&E and DRR Unit in collaboration with other programme units		Initiated

Recommendation 6.



UNDP should seek opportunities to build on its strategic positioning in North Macedonia to further harmonize EU accession and SDG priorities.

UNDP is well-positioned to deepen its support to North Macedonia on the twin priorities of EU accession and SDG implementation, especially with the EU approximation and negotiation process underway. The EU is the main international donor in the country, and the Government has prioritized approximation of national laws, rules and procedures with the EU acquis.

For example, in the area of disaster management, UNDP support has been instrumental in dealing with the immediate consequences of the 2015 flash floods and facilitating the recovery process. Still, some project results are at risk in the absence of effective national policies to maintain water and sanitation infrastructure and enforce controls. Building on the expertise it has accumulated in recent years in this field, UNDP can play an important role at national and subnational levels helping to advance the country's level of compliance with the EU Flood Directive, which in turn can help to achieve targets within SDG 6 (clean water and sanitation).

Management response:

Accepted.



The CO will continue to further analyse and explore ways to tailor programmes which will better respond and reflect Government needs, in order to provide a smoother harmonization and reflection of SDG priorities in the national agenda. This has been already considered during the preparation of the new CPD 2021-2025.

Recommendation 6 (cont'd)

Key action(s)	Completion date	Responsible unit(s)	Tracking	
			Comments	Status (initiated, completed or no due date)
6.1 The CO will continue to provide active support to the country in the implementation of reforms in prospect of EU integration agenda and the 2030 Agenda. The CO is already implementing a project aiming at equipping the Government with policy recommendations and options that will enable the country to maximize the benefits of EU accession. The lessons learned from this project will be used to shape future resource mobilization and strategic positioning of UNDP in the area of EU accession.	Ongoing	All programme units		Initiated
6.2 The CO has a plan to further expand the portfolio in public finance management reform and to support the authorities to integrate the 2030 Agenda in budget allocations in line with the country's EU accession agenda. The CO is working on several actions to support incorporation and alignment with the SDGs of several strategic national planning documents that will contribute to further UNDP positioning and resource mobilization.	Ongoing	All programme units		Initiated

* Status of implementation is tracked electronically in the ERC database.

Annexes



Annexes to the report (listed below) are available on the website of the Independent Evaluation Office at: <https://erc.undp.org/evaluation/evaluations/detail/12279>

- Annex 1.** Terms of reference
- Annex 2.** Evaluation matrix
- Annex 3.** Country at a glance
- Annex 4.** Country office at a glance
- Annex 5.** Status of country programme indicators
- Annex 6.** Reconstructed theory of change per outcome area
- Annex 7.** Project list
- Annex 8.** Documents consulted
- Annex 9.** People consulted



Independent Evaluation Office
United Nations Development Programme
One UN Plaza, DC1-20th Floor
New York, NY 10017, USA
Tel. +1(646) 781 4200

Web: www.undp.org/evaluation



/ UNDP_Evaluation



/ ieoundp



/ evaluationoffice