**RURALITY (1)**

Degree of urbanisation for local administrative units level 2 (LAU2)

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**Urban-rural typology for NUTS level 3 regions**

- **Predominantly urban regions**
  (rural population is less than 20% of the total population)
- **Intermediate regions**
  (rural population is between 20% and 50% of the total population)
- **Predominantly rural regions**
  (rural population is 50% or more of the total population)
- **Data not available**

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**Source:** Eurostat, 2017

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**Authors:** Samantha Gordon Harris

**VECTOS**

**Date:** 20.05.2019
DISTRIBUTION OF POPULATION

<table>
<thead>
<tr>
<th>Share of people living in cities</th>
<th>Share of people living in towns and suburbs</th>
<th>Share of people living in rural areas</th>
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<tbody>
<tr>
<td>22.6%</td>
<td>45.7%</td>
<td>27.7%</td>
</tr>
</tbody>
</table>

Source: Eurostat, 2016

GEOGRAPHY

The Republic of Macedonia is a landlocked country with a population of 2,075,301 residents (as of 12/2017). It is located in the midst of the Balkan Peninsula and bordered by Serbia, Bulgaria, Greece, Albania and Kosovo. The country is divided into 8 non-administrative planning regions (NUTS 3), 80 municipalities (LAU 1) and 1,767 settlements (LAU 2).

The Skopje's region dominates with approximately 29% of the total population and it is most densely populated with 343.5 residents per km² (as of 06/2016). Macedonia has a monocentric regional structure based on the dominance of the capital city Skopje that attracts about 40% of the urban population.

The total area of the country is 25,713 km² of which 80% is rural. 50.1% of the total area is agricultural land while forests cover 44.3%.

At the ending of the year 2017, 13.7% of the total population was 65 years or older. The young population (up to 14 years) represented 16.5% of the total population. The share of working age population remained at 69.8%.

According the National strategy for agricultural and rural development 2014 - 2020, the country’s priority areas are summarised as i) improving of technological and market infrastructure, ii) strengthening the horizontal and vertical integration of the economic subjects, iii) providing access to production factor, agricultural lands and its consolidation and iv) improvement of rural infrastructure for sustainability of rural communities and economical activities in rural areas.

RURALITY (2)

<table>
<thead>
<tr>
<th>Share of people at risk of poverty or social exclusion in rural areas, 2016</th>
</tr>
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<tbody>
<tr>
<td>45%</td>
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<table>
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<tr>
<th>Share of people aged 16 and over who reported unmet needs for health care in the previous 12 months due to expense, distance to travel or length of waiting list in rural areas, 2016</th>
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<tbody>
<tr>
<td>4%</td>
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<table>
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<tr>
<th>Unemployment rate, persons aged 15–64, in rural areas, Employment service agency, 2018</th>
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<tbody>
<tr>
<td>33%</td>
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<table>
<thead>
<tr>
<th>Share of young people aged 18–24 neither in employment nor in education or training (NEETs) in rural areas</th>
</tr>
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<tbody>
<tr>
<td>N/A</td>
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Source: Eurostat, Employment service agency
The National Transport Strategy (NTS) was adopted by the Government in July 2007 determining the national transport development priorities for the period 2007-2017 and is updated every two years. The focus of the National Transport Strategy is on the following objectives:

1. Promotion of economic growth by building, enhancing, managing and maintaining transport services, infrastructure and networks to maximize their efficiency;
2. Improvement of the safety of journeys by reducing accidents and enhancing the safety of pedestrians, cyclists, drivers;
3. Improvement of integration by making journey planning and ticketing easier and working to insure smooth connection between different modes of transport;
4. Protection of the environment and improving health by building and investing in public transport and other types of efficient and sustainable transport which minimize emissions and consumption of resources and energy;
5. Promotion of social inclusion by connecting distant and disadvantaged communities and increasing transport network accessibility.

These objectives shall be achieved by:

1. Modernisation and extension of the infrastructures on Corridors X and VIII to enable transport service delivery to be improved both in qualitative and quantitative terms;
2. Building modern transport infrastructure and facilities with enhanced safety features that, together with modern targeted safety awareness campaigns, contribute to safer and more secure transport;
3. Initiation of a public transport operators’ forum to address ways to promote better integration between modes and thereby increase public transport patronage by providing easy and convenient ways to use the various modes;
4. More and better opportunities through improving the transport networks, to provide improved mobility for all and provide better access to goods and services, particularly for those in the rural areas leading to improved social cohesion;
5. Better quality and more transport links that will enable improved access to health centres and facilities.
6. The National transport strategy also defines priorities for urban transport development but there is no special priorities for rural transport development. The National Transport Strategy 2017-2030 is currently being prepared with IPA I financing.

The Spatial plan of the Republic of Macedonia 2002-2020 describes also objectives related to transport. One of the objectives is developing of transport system designed to improve the quality of living in urban and rural areas while minimizing any negative impacts on the environment.

The National Strategy for Agriculture and Rural Development (NSARD) for the period 2014-2020 reflects the continuity of the country’s priorities for development of the agriculture and the rural areas, and to provide support to the agricultural sector to achieve sufficient level of competitiveness to cope with challenges of the open and changeable market and, also to boost the development of rural areas. The overall objective of NSARD for the period 2014-2020 is: Increasing of the international competitiveness of Macedonian agricultural production and agro-food industry, and securing sustainable development of rural areas.
**INSTITUTIONAL FRAMEWORK**

The Ministry of Transport and Communications (MTC) is in charge of creating and implementing transport policy including national strategies and action plans, inspection and enforcement.

The national road network is managed by the Public enterprise for State Roads (PESR), responsible for designing and implementing the Annual Programme for planning, funding, construction, reconstruction, maintenance, and protection of the national and regional road network.

Management and coordination of the rural development policies is responsibility of the Ministry of Agriculture, forestry and water economy (MAFWE).

The Municipalities as local authorities are responsible for a range of tasks of local importance including urban planning, permits for construction of buildings, local road construction, landscaping and land development, environment and nature protection, local economic development, primary and secondary education, health care, etc.

The Agency for financial support of agriculture and rural development (AFSARD) is responsible for successful implementation of the measures under agriculture policy and rural development policy.

The Rural Development Network (RDN) is a movement organized at national level to provide a voice for rural communities. The RDN’s mission is improvement of the livelihood in rural areas through building the capacities of the rural society, by networking.

Spatial planning agency (APP) is responsible for implementation of the planning policy and spatial arrangement in the country. The Regional Development Bureau (RDB) and the Planning Region Development Centres take part in the planning of the regional development and in the implementation of the planning documents on regional development.

**REGULATORY FRAMEWORK**

The legal basis for the organization of transport of passengers is the national Law on road transport that regulates the conditions and the manner in which the transport of passengers and goods is carried out, both in the domestic and international road transport. It prescribes the terms for professional competency and financial stability, some of the conditions for access to the profession of transport operator, as well as the terms and procedures for acquiring a license for carrying out transport of passengers and goods by road.

Only municipalities with over 100,000 inhabitants is obliged to organize municipal line passenger transport as a public service.

The passenger transport in the internal road traffic can be performed as line transport, free and special transport of passengers and passenger transport for personal needs. The public passenger transport in the internal road traffic can be performed as municipal line transport, inter-municipal line transport, free transport, special line transport, auto taxi transport and passenger transport for personal needs.

The municipal council regulate the municipal line passenger transport on the territory of the municipality. The line passenger transport on the territory of all municipalities of the City of Skopje is regulated by the Council of the City of Skopje.

One or more municipalities based in a village of a municipality based in the city to which they gravitate as specified by law, may jointly organize the performance of the inter-municipal line passenger transport with an obligation to observe the time interval of the stations from the part of the common route of approved timetables for inter-municipal line passenger transport in concluding the agreement. Inter-municipal line passenger transport is regulated by the MTC.
ORGANIZATIONAL FRAMEWORK

Railway transport is managed by state-owned public enterprise, Joint Stock Company for Transport "Macedonian Railways Transport" JSC Skopje which is in charge of transportation of passengers and goods for public or personal needs in domestic and international traffic.

Road transport is organized as follows:

- **Inter-municipal line passenger road transport** is performed by carriers that possess a licence for that kind of transport issued by the Ministry for transport and communication and according pre-agreed timetable. The carrier independently determines the cost of transport.

- **Municipal line passenger road transport** is organized only in City of Skopje and municipalities with more than 100,000 inhabitants by public transport operators or through service contracts between a municipalities and a private transport operator.

The buses are mainly used in public transport.

In rural areas without municipal or inter – municipal road transport or train connection, the citizens are forced to use their own cars in satisfying their needs.

The **Auto taxi transport** is performed on the basis of licenses issued by the municipalities or City of Skopje. By means of auto-taxi transport passengers are transported within the area specified in the license. By means of auto-taxi transport passengers from the area specified in the license to another municipality or to the City of Skopje may also be transported, whereby only passengers who were driven thereto and who have their place of residence or temporary residence in the municipality of the taxi vehicle’s license may be transported in the opposite direction. The driver of the taxi vehicle must keep a log with a list of passengers transported from another municipality.

FINANCIAL FRAMEWORK

Sources for funding of regional development are: The Budget of the Republic of Macedonia (at least 1% of the GDP), the budgets of the local self-government units, European Union funds, other international sources, donations and sponsorships from natural and legal entities and other resources established by law. The funds for encouraging balanced regional development, are allocated by the Government of the Republic of Macedonia as follows:

- 70% for financing projects for development of the planning regions;
- 20% for financing projects for development of the areas with specific developmental needs; and
- 10% for financing projects for development of the villages.

According to the Law on Public Roads funds for construction, maintenance and rehabilitation and protection of the public roads are provided by: transfer from the Central budget (part of the excise duty on oil derivatives), compensation for use on public roads for motor vehicles and trailers (road tax), compensation for...
the use of public road or part thereof subject to the road (toll), fees on other grounds, the funds from the state Budget and budgets of municipalities and the City of Skopje, loans and credits and other income.

Sector Operational programme on Transport 2014-2020 is one of the instruments for implementation of the national policy for development of the country and particularly of the national transport policy. Objectives and priorities of the national policy shall be supplemented also by other means, other financial resources, respectively, in accordance with the national sectoral and regional programs and plans.

The Instrument for Pre-Accession Assistance - IPA II is the main financial instrument to provide EU support to the country in implementing reforms with a view to Union Membership. Financial assistance under IPA II pursues the following four specific objectives: (a) support for political reforms, (b) support for economic, social and territorial development, (c) strengthening the ability of the beneficiary country to fulfill the (future) obligations stemming from membership in the EU by supporting progressive alignment with the Union acquis, (d) strengthening regional integration and territorial cooperation.

The local public transport is subsidized by the local governments. Also, the State government is paying transfers of funds to the respective local government units for providing of free of charge public transport for certain categories of public transport users such as pupils and students.

The unique tariff system and the method of sale of bus tickets, or electronic tickets for all carriers performing line passenger transport is determined by the Council of the Municipality or council of the City of Skopje by means of a decision. It has to be noticed that within the contract services for private public transport operators the amount is fixed on the basis of the km production and km fee/cost.

OTHER INFORMATION

**Best practice example 01: Free public transport for pupils and students**

According the Law on primary education and Law on secondary education, the pupils and students who live at a distance of more than 2 kilometers from their nearest primary or secondary school, have a right of free-of-charge transport to/from the school.

**Best practice example 02: Free railway transport for students on Thursday**

Since 2014, the railway transport on Thursday is free of charge for all students in Macedonia while in other days the students and pupils can use the railway transport with 50 percent discount on tickets.

**Best practice example 03: VoziMe: Platform for Ride sharing**

VoziMe is an online platform with a basic mission to make a revolution in road passenger transport in Macedonia. Their objective is to connect drivers who have free seats in their cars with passengers who need transport to certain destination. It uses the ride sharing principle i.e. sharing of travel costs. Each driver that travel from one city to another city can announce the final destination and the free seats in his car. The passengers with the same or similar destination can easily contact the driver in order to arrange the time and location. ([www.vozime.mk](http://www.vozime.mk)).
# Key Stakeholders and Ministries Addressing Rural Areas

<table>
<thead>
<tr>
<th>Title</th>
<th>Role</th>
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<tbody>
<tr>
<td>MTC</td>
<td>Ministry for Transport and communications</td>
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<tr>
<td>MoEPP</td>
<td>Ministry of environment and physical Planning - for the purpose of protecting human health and the environment by writing and enforcing regulations based on laws passed by the Macedonian Parliament and European Parliament. (Department of Spatial Planning is mandated to manage and implement the policies and monitor the processes of space shaping in the Republic of Macedonia)</td>
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<tr>
<td>MLS</td>
<td>Ministry of local self-government – implementation of the law, delivery of public services for the citizens</td>
</tr>
<tr>
<td>MAFWE</td>
<td>Ministry of Agriculture, forestry and water economy</td>
</tr>
<tr>
<td>AFSARD / IPARD</td>
<td>Agency for financial support of agriculture and rural development - for the purpose of successful implementation of the measures under agriculture policy and rural development policy in the Republic of Macedonia</td>
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<tr>
<td>PESR</td>
<td>Public enterprise for state roads - took over the rights, responsibilities, employees, property, assets and archives of the Agency for State Roads</td>
</tr>
<tr>
<td>RDN of RM</td>
<td>Rural Development Network of the Republic of Macedonia – organized at national level to provide a voice for rural communities in the Republic of Macedonia, to release the potential abilities, skills and knowledge of rural population, to enable them to articulate their aspirations and to effectively marshal the resources they need to meet their identified needs</td>
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<tr>
<td>ECM</td>
<td>Economic Chamber of Macedonia – a business and professional association which reconciles, represents and protects the interests of its members</td>
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<tr>
<td>BRD</td>
<td>Bureau for regional development</td>
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<tr>
<td>CDSPR</td>
<td>Center for development of Skopje planning region</td>
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<tr>
<td>CDNEPR</td>
<td>Center for development of Northeast planning region</td>
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<tr>
<td>CDEPR</td>
<td>Center for development of East planning region</td>
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<tr>
<td>CDSEPR</td>
<td>Center for development of Southeast planning region</td>
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<tr>
<td>CDVPR</td>
<td>Center for development of Vardar planning region</td>
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<tr>
<td>CDPePR</td>
<td>Center for development of Pelagonia planning region</td>
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<tr>
<td>CDSWPR</td>
<td>Center for development of Southwest planning region</td>
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<tr>
<td>CDPoPR</td>
<td>Center for development of Polog planning region</td>
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REFERENCES

- Strategy for balanced regional development, accessed 24/08/2018, https://brr.gov.mk/mk/%D1%81%D1%82%D1%80%D0%B0%D1%82%D0%B5%D0%B3%D0%B8%D1%98%D0%B0