

# STRATEGIC CONCEPTS AND THEIR ROLE IN ACHIEVING INCLUSIVE GROWTH: ANALYSIS OF THE MACEDONIAN SOCIOECONOMIC CONTEXT

**Cutka JOVANOSKA**

*Faculty of Economics, University of Tetovo*

[cutka.jovanoska@unite.edu.mk](mailto:cutka.jovanoska@unite.edu.mk)

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## Abstract

Contemporary economies are increasingly faced with the challenge of ensuring growth that is not only sustainable but also inclusive growth that enables the equal participation of all social groups. In the Macedonian context, several strategic documents have been adopted aimed at developing human capital, promoting social entrepreneurship, and increasing the employment of vulnerable categories; however, their implementation remains fragmented and characterized by limited intersectoral coordination.

This paper analyzes the role of strategic concepts in the process of achieving inclusive growth in the Republic of North Macedonia, through an evaluation of the degree of implementation of two key strategies: the National Strategy for the Development of Social Enterprises (2021–2027) and the Human Capital Strategy (2024–2030). Methodologically, the research is based on a content analysis of strategic documents and a scaled assessment of the implementation level of predefined priorities and measures, complemented by a comparative approach.

The empirical findings indicate a low to moderate level of implementation of strategic measures, as well as significant disparities among different institutions and priorities. In particular, the existence of an “implementation gap”—the gap between strategic planning and its practical realization is highlighted, especially in areas requiring intersectoral coordination.

The study concludes that the main challenge does not lie in the normative framework of the strategies, but rather in their implementation and institutional coordination. In this regard, a conceptual model is proposed, based on three pillars: integrated strategic coordination, a functional monitoring system, and results-oriented evaluation, aimed at improving the effectiveness of policies for inclusive growth.

**Keywords:** inclusive growth; strategic concepts; policy implementation; intersectoral coordination; human capital; social entrepreneurship; North Macedonia.

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## I. Introduction

Contemporary economies are increasingly faced with the challenge of ensuring growth that is not only economically sustainable but also socially inclusive. The concept of inclusive growth implies the creation of conditions for the equal participation of all social groups in economic processes, as well as a fair distribution of the benefits of growth. In this regard, strategic planning represents a key instrument through which states direct their policies toward achieving long-term development objectives.

In the Republic of North Macedonia, over the past period, several strategic documents have been adopted aimed at enhancing human capital, developing social entrepreneurship, and increasing the employability of vulnerable categories. However, despite their normative establishment and declarative alignment with contemporary development concepts, their implementation faces numerous challenges.

The research problem arises from the observed discrepancy between planned objectives and the actual implementation of strategic measures, as well as from insufficient coordination among institutions involved in their execution. Additionally, empirical findings indicate insufficiently clearly defined roles and responsibilities among some implementing actors, which further hampers the effective realization of strategies.

The aim of this paper is to analyze the role of existing strategic concepts in the process of achieving inclusive growth in the Republic of North Macedonia, with a particular focus on the degree of their implementation and the institutional challenges in their execution.

The study is guided by the following main research question: to what extent do existing strategic concepts contribute to the achievement of inclusive growth? In this regard, additional sub-questions are posed concerning their mutual coherence, the effectiveness of implementation mechanisms, and the degree of institutional coordination.

Based on these research questions, the hypothesis is formulated that, despite their formal alignment, existing strategies have a limited impact on achieving inclusive growth due to weaknesses in implementation and insufficient intersectoral coordination.

Methodologically, the research is based on the analysis of strategic documents and the evaluation of the degree of implementation of their priorities and measures, using a scaled approach to determine the level of implementation based on collected empirical data from relevant institutions.

The paper is structured into several sections. Following the introductory part, the theoretical framework on inclusive growth and strategic planning is developed, followed by the methodological approach of the research. The central part presents an analysis of selected national strategies, followed by a comparative analysis and identification of key weaknesses. The final section proposes a conceptual model for improving the approach to inclusive growth, accompanied by concluding remarks and policy recommendations.

## **II. Theoretical framework inclusive growth and strategic planning**

According to the OECD, inclusive growth occurs when the gap between the rich and the poor is less pronounced and when the benefits of growth are distributed more fairly, resulting in improvements in living standards and overall quality of life (e.g., good health, employment and skills, a clean environment, and community support) (OECD, 2014). Inclusive growth is based on the idea that economic growth is important but not sufficient for improving overall well-being (OECD, 2014). In this regard, the OECD defines inclusive growth as economic growth that creates opportunities for all segments of society and ensures that these opportunities are distributed equitably (OECD, 2017).

The Asian Development Bank also incorporates inclusive growth into its strategic objectives. Growth is considered inclusive if it:

- enables the participation of all members of society, with particular attention to the poor and disadvantaged groups that often have limited access to growth opportunities;
- reduces inequality in access to non-income dimensions such as education, health, nutrition, and social integration.

Inclusive growth is also defined as growth that generates greater economic opportunities and equal access to those opportunities (Ali & Son, 2007). The United Nations Development Programme (UNDP) views inclusive growth as growth whose benefits are shared fairly across society. In this sense, it refers to economic growth in which all members of society benefit from the opportunities and prosperity generated by increases in national income.

Based on these definitions, inclusive growth can be understood as having two key dimensions:

- economic growth, and
- the distribution (sharing) of the benefits of economic growth.

The International Policy Centre for Inclusive Growth places emphasis not only on participation but also on the sharing of growth benefits, where individuals actively participate in wealth creation processes and have a voice in shaping their direction.

For some authors, inclusive growth also encompasses addressing discrimination against marginalized groups. Enabling these groups to benefit from economic activity is considered a fundamental pillar of inclusive growth.

Strategic planning represents a systematic process of defining long-term objectives and determining priorities, measures, and instruments for their achievement. In the public sector, strategies are a key instrument for policy coordination and for directing institutional activities toward development objectives.

In contemporary conditions, strategic documents are not limited to the formulation of objectives but also include clearly defined implementation mechanisms, allocation of responsibilities, monitoring indicators, and evaluation systems. The effectiveness of strategic planning, therefore, does not depend solely on the quality of its design, but to a significant extent on its practical implementation.

Of particular importance is the issue of intersectoral coordination, given that contemporary development challenges, including the achievement of inclusive growth, require an integrated approach linking economic, social, and educational policies. In this context, strategies are increasingly designed as multisectoral frameworks involving multiple institutions and actors.

However, in practice, a gap is often observed between the normative design of strategic documents and their implementation. This implementation gap may result from insufficiently clearly defined roles and responsibilities, limited institutional capacities, as well as the absence of effective coordination, monitoring, and evaluation mechanisms.

Within the context of inclusive growth, the role of strategic planning is particularly pronounced. By its nature, inclusive growth represents a multidimensional concept requiring coordinated action across different policy domains—economic, education, social protection, and labour market policies. Consequently, the extent to which inclusive growth is achieved largely depends on the ability of strategic documents to ensure an integrated approach and effective implementation.

Therefore, the analysis of strategic concepts should not be limited to their content alone, but should also encompass the degree of their implementation and the functionality of the institutional framework within which they are executed. It is precisely through this lens that their real contribution to achieving inclusive growth can be assessed.

### **III. Methodology of the research**

This study is based on a mixed qualitative–quantitative approach, with a primary focus on the analysis of strategic documents and the evaluation of their level of implementation. The subject of analysis includes two national strategies: the National Strategy for the Development of Social Enterprises (2021–2027) and the Human Capital Strategy (2024–2030), as relevant policy documents linked to the advancement of inclusive growth.

The research is conducted through a content analysis of strategic documents, complemented by an empirical assessment of the degree of implementation of predefined priorities and measures. For

this purpose, a scaled evaluation approach is applied, whereby each measure is assessed according to its level of implementation.

Based on individual scores, an aggregated implementation percentage is calculated at both the priority level and the overall strategy level. This approach enables a quantitative assessment of the degree of implementation, as well as a comparative analysis between different strategic documents.

The data used for evaluation were collected from relevant institutions through official sources, reports, and requests for access to public information. This approach provides more detailed and direct insights into the status of measure implementation; however, it also reveals certain limitations related to data availability and consistency.

In addition, a comparative analysis of the strategic documents is conducted in order to identify their level of mutual coherence, as well as key weaknesses in their implementation, with particular emphasis on institutional coordination.

The limitations of the study stem from its reliance on secondary data and institutional sources, as well as potential differences in reporting methods and interpretation of implementation levels. Nevertheless, the applied methodological approach provides a relevant basis for assessing the effectiveness of strategic concepts in the context of inclusive growth.

#### **IV. Analysis of the Strategies**

In North Macedonia, there is currently no dedicated national strategy for inclusive growth. However, several strategic and policy documents indirectly address its key dimensions. Among them are the National Strategy for the Development of Social Enterprises, the Draft National Development Strategy of the Republic of North Macedonia (2024–2044), the National Strategy for Poverty Reduction (2010–2020), which has not been revised, as well as several targeted strategies addressing vulnerable groups, such as the Strategy for Roma Inclusion (2022–2030). Collectively, these documents indicate a fragmented but emerging policy framework related to inclusive development.

Within this study, two strategies are selected for in-depth analysis due to their strong conceptual alignment with inclusive growth objectives: (i) the National Strategy for the Development of Social Enterprises (2021–2027), and (ii) the Human Capital Strategy of the Republic of North Macedonia (2024–2030).

##### *4.1. National Strategy for the Development of Social Enterprises (2021-2027)*

#### **Overview of the Strategy**

The National Strategy for the Development of Social Enterprises is coordinated by the Ministry of Social Policy, Demography and Youth. Its focus is on the current state and development of social enterprises, as well as on the broader ecosystem in which they operate. This includes resources for developing a culture of social entrepreneurship, mechanisms for mutual support and capacity building, access to markets and financing, and the formulation of supportive public policies.

The strategy also defines strategic priorities and an accompanying action plan. Monitoring and evaluation are foreseen through biennial reports on the status and development of social enterprises, which are to be prepared and systematised by the Ministry and submitted to the Government.

Implementation involves a wide range of institutional actors, including the Ministry of Social Policy, Demography and Youth, the Central Registry, the Ministry of Finance, the Ministry of Education and Science, the Employment Service Agency, the Development Bank, the Fund for Innovation and Technological Development, the Ministry of Economy, and other relevant public bodies. This multi-actor structure reflects the cross-sectoral nature of the policy area.

The strategy is structured around five strategic priorities, each operationalised through specific measures.

### Analysis by Strategic Priorities

Table 1 presents the aggregated mean values of implementation levels across the five strategic priorities, based on the conducted empirical assessment.

**Table 1. Average Implementation Scores by Strategic Priority**

| Priority                                                                                           | Average |
|----------------------------------------------------------------------------------------------------|---------|
| Priority 1 — Establishing a Legal Framework for Social Entrepreneurship:                           | 2       |
| Priority 2 — Developing a Culture of Social Entrepreneurship and Recognition of Social Enterprises | 2.16    |
| Priority 3 — Strengthening Mutual Support, Learning, and Capacity Building within the Ecosystem    | 2.6     |
| Priority 4 — Improving Market Access for Social Enterprises                                        | 2       |
| Priority 5 — Facilitating Access to External Finance:                                              | 2.2     |

*Source: Author's calculations*

Further empirical details are provided in Appendix 1.

### Interpretation of Findings

The results indicate generally low to moderate levels of implementation across all strategic priorities.

The highest score is observed in Priority 3 (mean = 2.6), which relates to capacity building and ecosystem support. This comparatively higher performance is largely driven by the establishment of a Resource Centre for Social Enterprises by the Ministry of Social Policy, Demography and Youth. The Centre functions as an incubator supporting existing and emerging social enterprises and relevant civil society organisations, offering free access to facilities and resources. Although the formal legal framework for a national resource centre is still pending adoption of the Draft Law on Social Enterprises, this initiative represents a partial but tangible implementation step.

Priority 5 (mean = 2.2), related to access to external finance, also shows slightly higher performance compared to other priorities. This is primarily due to institutional engagement in financial support mechanisms, including credit lines for women entrepreneurship implemented by the Development Bank, innovation-support programmes by the Fund for Innovation and Technological Development, and various planned or partially implemented funding schemes by the Ministry of Economy. However, some of these interventions were later reallocated due to external shocks, such as the energy crisis, indicating instability in policy execution.

Priority 2 includes partial alignment with European practices, particularly through the incorporation of EU policy principles into the Draft Law on Social Enterprises. Nevertheless, full implementation remains conditional on the formal adoption and subsequent monitoring of the law.

Overall, most measures remain in a planning or partially implemented phase, indicating that implementation is still in progress and not fully aligned with the strategic action plans.

#### Conclusion

The analysis leads to several key findings:

- Certain institutions have taken concrete steps toward implementation of assigned measures, demonstrating partial operational commitment.
- A significant proportion of measures remains dependent on the adoption of the Draft Law on Social Enterprises, which has not yet been enacted, resulting in a predominantly declarative implementation framework.
- The Ministry of Social Policy, Demography and Youth plays a central role but exhibits limited coordination capacity across institutional actors, although some proactive initiatives (e.g., the Resource Centre) indicate partial progress beyond formal requirements.
- There is a persistent gap between strategic planning and actual implementation, particularly in measures requiring cross-sectoral coordination.

#### Policy Recommendations

- Institutional actors actively implementing measures should be used as a benchmark for improving the performance of less active stakeholders.
- The Law on Social Enterprises should be adopted as a priority, ensuring a comprehensive and inclusive legal framework that reflects all relevant stakeholders in social entrepreneurship.
- Institutional capacities across the 12 involved sectors should be strengthened, alongside improved resource allocation for implementation.
- Strategic planning processes should be reinforced with stronger accountability mechanisms to avoid the transformation of action plans into purely formal (“on paper”) instruments.
- The existence of parallel strategic versions (2021–2024 and 2021–2027) suggests the need for greater policy coherence and institutional consistency in strategic design and communication.

#### *4.2. Human Capital Strategy of the Republic of North Macedonia (2024—2030)*

##### Overview of the Strategy

The Government of the Republic of North Macedonia has adopted the Human Capital Strategy (2024–2030), which aims to enable faster, more inclusive, and more sustainable economic growth, while simultaneously improving citizens’ opportunities for a higher quality of life.

The Strategy is structured around three core policy domains: education, health, and social protection. It explicitly positions human capital development as a key driver of inclusive development. In this regard, it emphasises that enhancing human capital quality is essential for addressing structural challenges related to productivity, labour market participation, and population ageing, thereby supporting a more inclusive and sustainable development trajectory.

The Strategy also identifies a set of key structural challenges facing the country, including high youth unemployment, demographic ageing, low fertility rates, migration pressures, skills mismatches, low productivity employment, the informal economy, and institutional corruption.

From a structural perspective, the Strategy provides a comprehensive analytical framework. The second chapter conceptualises human capital and its role in sustainable and inclusive development. The third chapter assesses current human capital outcomes in North Macedonia, including comparative benchmarking with EU and regional countries. The fourth chapter focuses on sectoral analysis of education, health, and social protection, while the fifth chapter outlines strategic priorities for human capital strengthening up to 2030. The final chapter synthesises key reform conclusions.

Overall, the Strategy is characterised by a coherent structure, strong analytical grounding, and a clearly defined reform orientation across the three core sectors.

Although the responsible implementing institutions are not explicitly formalised within the Strategy, implementation is implicitly assigned to the Ministry of Education and Science, the Ministry of Health, and the Ministry of Social Policy, Demography and Youth.

The Strategy also defines cross-sectoral reform priorities, including: consolidation and coordination of social protection systems across ministries and government levels; early childhood development support; and improvement of medical and nursing education programmes (Human Capital Strategy of North Macedonia, pp. 61–71).

## Analysis by Strategic Priorities

Table 2 presents the empirical assessment of implementation levels across the defined strategic priorities, including responsible institutional actors.

**Table 2. Average Implementation Scores by Strategic Priority**

| <b>Priority</b>                                                     | <b>Average</b> |
|---------------------------------------------------------------------|----------------|
| Priority 1 – Education: Quality                                     | 2.67           |
| Priority 2 – Education: Equity                                      | 1.75           |
| Education: Spending and Efficiency                                  | 2.2            |
| Priority 4 – Education: Governance and Crisis Preparedness          | 1.5            |
| Priority 5 – Health: Quality                                        | 2.5            |
| Priority 6 – Health: Inclusion                                      | 1.5            |
| Priority 7 – Health: Spending and Efficiency                        | 1.0            |
| Priority 8 – Health: Governance and Crisis Preparedness             | 2.6            |
| Priority 9 – Social Protection: Quality                             | 1.0            |
| Priority 10 – Social Protection: Equity                             | 1.0            |
| Priority 11 – Social Protection: Spending and Efficiency            | 1.0            |
| Priority 12 – Social Protection: Governance and Crisis Preparedness | 1.0            |

*Source: Author's own research*

Further empirical data are provided in Appendix 2.

## Interpretation of Findings

The results indicate a clear divergence in implementation performance across sectors and priorities.

The highest implementation scores are recorded in education-related Priority 1 (Quality) and health-related Priority 8 (Crisis management), followed by health quality reforms (Priority 5). In contrast, the lowest levels of implementation are observed across most social protection priorities, where values remain at the lowest scale point, indicating either non-implementation or activities remaining at a purely planning stage.

From an institutional perspective, the Ministry of Education and Science demonstrates the highest average performance (mean = 2.029), followed by the Ministry of Health (mean = 1.9), while the Ministry of Social Policy, Demography and Youth records the lowest performance (mean = 1.0).

Notably, the Ministry of Social Policy, Demography and Youth did not report implemented activities but instead provided only planned reform measures, despite repeated clarification requests regarding the assessment of implementation status. As a result, its activities are consistently assessed at the lowest score level, indicating non-implementation.

In contrast, the Ministry of Education and Science shows relatively stronger performance, including several measures assessed at the highest implementation level. However, it should be noted that these reforms are primarily structured within short- and medium-term planning horizons.

Within the equality-focused reform priority central to this study only the Ministry of Education and Science demonstrates partial implementation progress. This includes measures aimed at reducing learning losses among vulnerable student groups, identifying students at risk of early school leaving, and improving access to higher education for students from socioeconomically disadvantaged backgrounds.

The Ministry of Social Policy, Demography and Youth has formally defined measures related to social protection expansion, including improved targeting of social assistance, strengthened support for poorer municipalities, and expanded labour market programmes in underdeveloped regions. However, empirical findings indicate that these measures remain at a planning stage.

Similarly, in the health sector, inclusive access objectives such as ensuring quality healthcare across all regions and socioeconomic groups and improving access to medicines under universal coverage schemes remain largely in the planning phase.

## Recommendations

- Greater institutional commitment is required from all implementing bodies, particularly the Ministry of Social Policy, Demography and Youth, in order to ensure effective implementation of the Human Capital Strategy (2024–2030), given its systemic importance for national development.
- Stronger emphasis must be placed on translating formally designed measures into operational implementation, particularly those directly linked to inclusive growth objectives.
- The Government should introduce a structured monitoring and feedback mechanism, requiring periodic (at least quarterly) reporting from all responsible institutions.
- Cross-sectoral coordination among the three core ministries (education, health, and social policy) should be institutionalised to ensure coherent implementation of the Strategy.

## **V. Comparative Analysis of Strategic Concepts and Implications for Inclusive Growth**

### *5.1. Methodological Framework of the Comparison*

This section is based on a comparative analysis of two national strategic documents:

- (1) the National Strategy for the Development of Social Enterprises (2021–2027) and
- (2) the Human Capital Strategy (2024–2030).

The comparison is conducted using the following analytical criteria:

- degree of institutional coordination
- level of policy implementation
- structure of stakeholders and assigned responsibilities
- focus on inclusive growth
- functionality of monitoring and evaluation mechanisms

### *5.2. Sectoral vs. Horizontal Approach to Inclusive Growth*

The analysed strategies demonstrate fundamentally different approaches to inclusive growth.

The Social Enterprise Strategy adopts a sector-specific and targeted approach, focusing on the development of a distinct economic segment aimed at directly addressing vulnerable groups through social entrepreneurship.

In contrast, the Human Capital Strategy follows a horizontal and systemic approach, where inclusive growth is understood as an outcome of coordinated interventions in education, health, and social protection systems.

Overall, the findings suggest conceptual complementarity between the two strategies; however, there is limited evidence of operational integration at the implementation level.

### *5.3. Institutional Coordination and Governance Structure*

One of the most significant differences between the two strategies relates to institutional architecture.

The Social Enterprise Strategy involves a broad set of institutional actors (more than ten stakeholders), resulting in a wide but fragmented governance structure.

The Human Capital Strategy, on the other hand, concentrates responsibilities within three key ministries, enabling clearer sectoral accountability but still lacking a formalised intersectoral coordination mechanism.

In both cases, the analysis indicates a persistent weakness in horizontal coordination, despite differences in structural design.

### *5.4. Comparison of Implementation Levels*

Empirical findings indicate a low to moderate level of implementation for both strategies.

In the case of social enterprises, partial implementation dominates, largely due to dependency on legislative frameworks that have not yet been fully adopted.

Regarding the Human Capital Strategy, implementation is characterised by asymmetry, with the education sector demonstrating higher performance compared to health and social protection.

Overall, implementation appears more effective in sectors with a clearly defined institutional pathway (e.g. the Ministry of Education), while it weakens in areas requiring cross-sectoral coordination.

### *5.5. Implications for Inclusive Growth*

Despite their different sectoral orientations, both strategies share a common overarching objective: the promotion of inclusive growth.

However, the analysis suggests that:

- inclusive growth remains largely a normative policy objective rather than an operational outcome;
- there is a lack of an integrated mechanism linking economic, educational, and social policies;
- implementation outcomes depend primarily on institutional capacity rather than strategic coherence.

**Conclusion:** In the Macedonian context, inclusive growth is more the result of fragmented policy interventions than of a systematically designed and integrated policy framework.

### *5.6. Synthetic Conclusion of the Comparison*

The comparative analysis reveals a degree of conceptual alignment between the strategic documents, but also significant institutional and implementation fragmentation, alongside insufficient intersectoral coordination.

This points to the existence of an implementation gap between strategic planning and actual policy outcomes, which represents a key constraint for achieving inclusive growth in the Republic of North Macedonia.

## **VI. Concluding Remarks**

This paper analyses the role of strategic concepts in the process of achieving inclusive growth in the Republic of North Macedonia, through an evaluation of two key policy frameworks: the National Strategy for the Development of Social Enterprises (2021–2027) and the Human Capital Strategy (2024–2030). The analysis focuses on the degree of policy implementation, institutional coordination, and the effectiveness of implementation mechanisms.

Empirical findings indicate that, despite clearly defined strategic objectives and normative alignment with contemporary development paradigms, the actual implementation of measures remains at a low to moderate level. In addition, a pronounced asymmetry is observed across different priorities and institutions, reflecting uneven institutional dynamics.

A particularly important finding is the existence of an implementation gap between strategic planning and practical policy execution. This gap is most evident in areas where implementation depends on multiple institutions and where horizontal coordination mechanisms are weak or insufficiently defined.

## Scientific Contribution

The scientific contribution of this study is reflected in several key aspects:

- development of an analytical framework for evaluating the implementation level of strategic documents using a scaled assessment approach;
- identification of institutional fragmentation as a key constraining factor for inclusive growth;
- empirical confirmation of a significant gap between strategic formulation and implementation;
- comparative analysis of two distinct yet conceptually related policy frameworks in the field of inclusive growth.

## Policy and Practical Implications

The findings of this research have several important implications for public policy design and implementation:

- the need to strengthen intersectoral coordination among institutions;
- the establishment of a formalised system for monitoring, reporting, and feedback;
- increased institutional accountability for the implementation of planned measures;
- a redefinition of strategies from predominantly declarative documents toward operational policy instruments.

## Proposed Model for Enhancing Inclusive Growth

Based on the empirical findings, a conceptual model for enhancing inclusive growth is proposed, built on three interrelated pillars:

**1) Integrated Strategic Coordination** Establishment of a centralised coordination mechanism at government level to ensure horizontal alignment of policies across the economic, education, health, and social protection sectors.

**2) Functional Implementation and Monitoring System** Introduction of a mandatory periodic (e.g. quarterly) reporting system on the implementation status of each measure, supported by clear indicators and defined institutional accountability.

**3) Results-Oriented Evaluation** Transition from activity-based monitoring to outcome-based evaluation, with a focus on the real effects on vulnerable groups and the labour market.

This model represents a shift from the current fragmented approach towards an integrated and coordinated policy system for inclusive growth.

In conclusion, the study demonstrates that inclusive growth in the Republic of North Macedonia is conceptually well embedded in strategic documents; however, its realisation remains limited due to institutional fragmentation and insufficient coordination. Therefore, the key challenge does not lie in the design of strategies, but in their effective implementation and integration into a coherent policy and institutional framework.

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## APPENDIX 1

Level of Implementation of the National Strategy for the Development of Social Enterprises in the Republic of North Macedonia (2021—2027)

**Table A1. Implementation status of strategic measures**

| Priority   | Measure   | Description                                                    | Responsible institution(s) | Level of implementation | Implemented activities                                                                     | Source                                                      |
|------------|-----------|----------------------------------------------------------------|----------------------------|-------------------------|--------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| Priority 1 | Measure 1 | Preparation and adoption of the Law on Social Entrepreneurship | MLSP                       | 2                       | Public debate completed                                                                    | Response No.14-3650/1 (01.07.2025)                          |
|            | Measure 2 | Alignment of the legal framework                               | MLSP                       | 2                       | Incorporated in draft law                                                                  | Response No.14-3650/1 (01.07.2025 )                         |
|            | Measure 3 | Establishment of systematic data collection mechanisms         | MLSP; CR                   | 2                       | Incorporated in draft law                                                                  | Responses No. 14-3650/1 (01.07.2025); 03-731/2 (13.05.2025) |
|            | Measure 4 | Improvement of tax treatment                                   | MoF; PPA                   | 2                       | Incorporated in draft law                                                                  | Responses No. 14-3650/1 (01.07.2025)                        |
| Priority 2 | Measure 1 | Integration into sectoral policies                             | MLSP                       | 2                       | Incorporated in draft law                                                                  | Responses No.                                               |
|            | Measure 2 | Awareness raising and promotion of social enterprises          | MLSP                       | 2                       | Incorporated in draft law                                                                  | Одговор бр. 14-3650/1 (01.07.2025)                          |
|            | Measure 3 | Integration into formal education                              | MoES                       | 2                       | Planned inclusion of social entrepreneurship topics in upper secondary education curricula | Responses No. 03-6720/2 (14.05.2025)                        |

|            |           |                                                                 |                |   |                                                                                     |                                                              |
|------------|-----------|-----------------------------------------------------------------|----------------|---|-------------------------------------------------------------------------------------|--------------------------------------------------------------|
|            | Measure 4 | Research, analysis, and statistics on social enterprises        | MLSP; NRDCSE   | 2 | Incorporated in draft law                                                           | Responses No. 14-3650/1 (01.07.2025)                         |
|            | Measure 5 | Support for impact measurement of social enterprises            | MLSP           | 2 | Incorporated in draft law                                                           | Responses No. 14-3650/1 (01.07.2025)                         |
|            | Measure 6 | Alignment with EU policies and programmes                       | MLSP           | 3 | Partially implemented; full assessment possible after 4 years of law implementation | Responses No. 14-3650/1 (01.07.2025)                         |
| Priority 3 | Measure 1 | Establishment of resource centres                               | MLSP           | 4 | Social Enterprise Centre established; public authority delegated to a legal entity  | Responses No. 14-3650/1 (01.07.2025)                         |
|            | Measure 2 | Improvement of service scope and quality                        | MLSP; NRDCSE   | 2 | Incorporated in draft law                                                           | Responses No. 14-3650/1 (01.07.2025)                         |
|            | Measure 3 | Capacity building of social enterprises                         | MLSP; NRDCSE   | 2 | Incorporated in draft law                                                           | Responses No. 14-3650/1 (01.07.2025)                         |
| Priority 4 | Measure 1 | Development of public procurement market for social enterprises | MoF; PPA       | 2 | Incorporated in draft law                                                           | Responses No. 14-3650/1 (01.07.2025)                         |
|            | Measure 2 | Development of private market for social enterprise             | MLSP; MoE; MoF | 2 | Incorporated in draft law                                                           | Responses No. 14-3650/1 (01.07.2025); 15-2353/2 (16.05.2025) |
|            | Measure 3 | Increasing visibility of social enterprises                     | MLSP; MoE; MoF | 2 | Incorporated in draft law                                                           | Responses No. 14-3650/1 (01.07.2025); 15-2353/2 (16.05.2025) |
| Priority 5 | Measure 1 | Pilot financial instruments for social enterprises              | MoF; MLSP      | 2 | Incorporated in draft law                                                           | Responses No. 14-3650/1 (01.07.2025)                         |

|  |           |                                                              |                          |   |                                                                                                                                                                |                                                                                                              |
|--|-----------|--------------------------------------------------------------|--------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
|  | Measure 2 | Activation of public funds through social finance mechanisms | MLSP; MoE; DB; ESA; FITR | 3 | Partially implemented (gender entrepreneurship support, innovation project “Promotion of Social Entrepreneurship”; reallocation of funds due to energy crisis) | Responses No. 14-3650/1 (01.07.2025); 03-1223/2 (23.05.2025); 03-1246/2 (07.05.2025); 02-1234/2 (09.05.2025) |
|  | Measure 3 | Incentives for private investment in social enterprises      | MoE; MoF; MLSP           | 2 | Incorporated in draft law                                                                                                                                      | Responses No. 14-3650/1 (01.07.2025)                                                                         |
|  | Measure 4 | Programs for NGOs in social entrepreneurship                 | MLSP                     | 2 | Incorporated in draft law                                                                                                                                      | Responses No. 14-3650/1 (01.07.2025)                                                                         |

Source: Own research

Notes:

- **Level of implementation scale:**  
1 – not initiated; 2 – in progress; 3 – partially implemented; 4 – fully implemented.
- **Abbreviations:**  
MLSP – Ministry of Labour and Social Policy  
CR – Central Registry  
MoF – Ministry of Finance  
PPA – Public Procurement Bureau  
MoES – Ministry of Education and Science  
NRDCSE – National Resource and Development Centre for Social Enterprises  
MoE – Ministry of Economy  
DB – Development Bank  
ESA – Employment Service Agency  
FITR – Fund for Innovation and Technological Development

## APPENDIX 2

**Table A2.** Level of Implementation of the Human Capital Strategy in the Republic of North Macedonia (2024–2030)

| Priority                         | Measure   | Description                               | Responsible institution(s) | Level of implementation | Implemented activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Source                               |
|----------------------------------|-----------|-------------------------------------------|----------------------------|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| Priority 1 – Education (Quality) | Measure 1 | Improving teachers' digital skills        | MoES                       | 3                       | <ul style="list-style-type: none"> <li>– Teacher professional development programme for 2025 – application of digital tools, interactive and personalized teaching.</li> <li>– “Promoting Smart Schools” measure implemented in 44% of primary schools.</li> <li>– 2,001 secondary school teachers trained digitally through the Bureau for Education Development programme.</li> <li>– 3,550 secondary school teachers trained through an EU project.</li> <li>– Public call (29 April 2025) for programme implementation; provider selected and training initiated.</li> </ul> | Responses No. 03-6364/2 (08.07.2025) |
|                                  | Measure 2 | Strengthening quality in higher education | MoES                       | 2                       | <ul style="list-style-type: none"> <li>– Presence of quality assurance institutions.</li> <li>– Preparation of a new Law on Higher Education.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                         | Responses No. 03-6364/2 (08.07.2025) |
|                                  | Measure 3 | Improving youth career guidance           | MoES                       | 3                       | <ul style="list-style-type: none"> <li>– Career counsellor introduced in each school (Law on Secondary Education).</li> <li>– EU-supported career tracking application developed.</li> <li>– Rulebook for career counsellors adopted.</li> <li>– Memorandum of cooperation (MoES, BDE, ASC).</li> <li>– Career centres established at universities.</li> </ul>                                                                                                                                                                                                                   | Responses No. 03-6364/2 (08.07.2025) |

|                                                  |           |                                                        |      |   |                                                                                                                                                                                                                                                                                                                                                      |                                      |
|--------------------------------------------------|-----------|--------------------------------------------------------|------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| Priority 2 – Education (Equity)                  | Measure 1 | Increasing access to education                         | MoES | 1 |                                                                                                                                                                                                                                                                                                                                                      | Responses No. 03-6364/2 (08.07.2025) |
|                                                  | Measure 2 | Improving early childhood education outcomes           | MoES | 1 |                                                                                                                                                                                                                                                                                                                                                      | Responses No. 03-6364/2 (08.07.2025) |
|                                                  | Measure 3 | Reducing learning losses among vulnerable students     | MoES | 3 | <ul style="list-style-type: none"> <li>– Education mediators for Roma students (35 in 2025; 50 planned).</li> <li>– 1,200 scholarships for Roma students.</li> <li>– Tutors for students with learning difficulties.</li> <li>– Reintegration of dropouts via testing.</li> <li>– Amendments introducing mediators for vulnerable groups.</li> </ul> | Responses No. 03-6364/2 (08.07.2025) |
|                                                  | Measure 4 | Access to higher education for vulnerable students     | MoES | 2 | <ul style="list-style-type: none"> <li>– Government decree exempting persons with disabilities from tuition fees.</li> <li>– Draft National Programme for Higher Education (parliamentary procedure).</li> </ul>                                                                                                                                     | Responses No. 03-6364/2 (08.07.2025) |
| Priority 3 – Education (Efficiency and Spending) | Measure 1 | Introducing a new funding formula                      | MoES | 3 | – Advanced stage; expected adoption December 2025.                                                                                                                                                                                                                                                                                                   | Responses No. 03-6364/2 (08.07.2025) |
|                                                  | Measure 2 | Improving higher education spending and accountability | MoES | 1 |                                                                                                                                                                                                                                                                                                                                                      | Responses No. 03-6364/2 (08.07.2025) |
|                                                  | Measure 3 | Increasing municipal accountability                    | MoES | 1 |                                                                                                                                                                                                                                                                                                                                                      | Responses No. 03-6364/2 (08.07.2025) |
|                                                  | Measure 4 | School optimization plans                              | MoES | 3 | <ul style="list-style-type: none"> <li>– 57 plans developed (5 municipalities); planned for 80.</li> <li>– Implementation guidelines delivered.</li> </ul>                                                                                                                                                                                           | Responses No. 03-6364/2 (08.07.2025) |

|                                                             |                  |                                            |      |   |                                                                                                                                                                                                                                                    |                                      |
|-------------------------------------------------------------|------------------|--------------------------------------------|------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
|                                                             | <b>Measure 5</b> | Progressive teacher salary system          | MoES | 3 | <ul style="list-style-type: none"> <li>– 242 mentor teachers promoted.</li> <li>– New advancement schemes planned.</li> <li>– Teacher evaluation rulebook adopted.</li> </ul>                                                                      | Responses No. 03-6364/2 (08.07.2025) |
| Priority 4 – Education (Governance and Crisis Preparedness) | <b>Measure 1</b> | Improving governance capacities            | MoES | 1 |                                                                                                                                                                                                                                                    | Responses No. 03-6364/2 (08.07.2025) |
|                                                             | <b>Measure 2</b> | Strengthening school management capacities | MoES | 2 | – Training programme for school principals implemented.                                                                                                                                                                                            | Responses No. 03-6364/2 (08.07.2025) |
| Priority 5 – Health (Quality)                               | <b>Measure 1</b> | Improving human resource management        | MoH  | 3 | <ul style="list-style-type: none"> <li>– 85 specializations financed (2023).</li> <li>– Increased number of specializations (2023–2026).</li> <li>– Continuous HR development programmes.</li> <li>– Cooperation project with Slovenia.</li> </ul> | Responses No. 5104/2 (14.05.2025)    |
|                                                             | <b>Measure 2</b> | Strengthening healthcare services          | MoH  | 2 | – National Patient Safety Plan (2024–2030) adopted.                                                                                                                                                                                                | Responses No. 5104/2 (14.05.2025)    |
| Priority 6 – Health (Inclusion)                             | <b>Measure 1</b> | Equal access to quality healthcare         | MoH  | 1 |                                                                                                                                                                                                                                                    | Responses No. 5104/2 (14.05.2025)    |
|                                                             | <b>Measure 2</b> | Expanding access to medicines              | MoH  | 2 | – Positive list expanded by 9 generic medicines.                                                                                                                                                                                                   | Responses No. 5104/2 (14.05.2025)    |
| Priority 7 – Health (Efficiency and Spending)               | <b>Measure</b>   | Ensuring sustainable healthcare financing  | MoH  | 1 |                                                                                                                                                                                                                                                    | Responses No. 5104/2 (14.05.2025)    |
| Priority 8 – Health (Governance and Crisis Preparedness)    | <b>Measure 1</b> | Strengthening capacities                   | MoH  | 2 | <ul style="list-style-type: none"> <li>– Strengthening epidemiological monitoring systems.</li> <li>– Crisis preparedness action plans developed</li> </ul>                                                                                        | Responses No. 5104/2 (14.05.2025)    |

|                                          |                  |                                                                                    |       |   |                                                                           |                                     |
|------------------------------------------|------------------|------------------------------------------------------------------------------------|-------|---|---------------------------------------------------------------------------|-------------------------------------|
|                                          | <b>Measure 2</b> | Revising primary healthcare governance                                             | MoH   | 2 | Family doctors prescribe therapy for the most common chronic diseases.    | Responses No. 5104/2 (14.05.2025)   |
|                                          | <b>Measure 3</b> | Strengthening quality management                                                   | MoH   | 3 | – National Health Security Action Plan adopted (WHO/EU support).          | Responses No. 5104/2 (14.05.2025)   |
|                                          | <b>Measure 4</b> | Digitalization of the health system                                                | MoH   | 3 | – Upgraded e-health system (“My Term”).<br>– Digital platform “My Health” | Responses No. 5104/2 (14.05.2025)   |
|                                          | <b>Measure 5</b> | Increasing immunization                                                            | MoH   | 3 | – HPV vaccination extended to boys.<br>– Transition to 9-valent vaccine.  | Responses No. 5104/2 (14.05.2025)   |
| Priority 9 – Social Protection (Quality) | <b>Measure 1</b> | Improving the effectiveness of the social protection system                        | MSPDY | 1 | Only strategic priorities defined; no implementation reported.            | Responses No. 14-3591/1 (29.4.2025) |
|                                          | <b>Measure 2</b> | Improving the effectiveness of social workers                                      | MSPDY | 1 | Only strategic priorities defined; no implementation reported.            | Responses No. 14-3591/1 (29.4.2025) |
|                                          | <b>Measure 3</b> | Improving the effectiveness of labor market programs                               | MSPDY | 1 | Only strategic priorities defined; no implementation reported.            | Responses No. 14-3591/1 (29.4.2025) |
| Priority 10 – Social Protection (Equity) | <b>Measure 1</b> | Improving the conditions for social assistance                                     | MSPDY | 1 | Only strategic priorities defined; no implementation reported.            | Responses No. 14-3591/1 (29.4.2025) |
|                                          | <b>Measure 2</b> | Supporting poor municipalities in the delivery of local social protection services | MSPDY | 1 | Only strategic priorities defined; no implementation reported.            | Responses No. 14-3591/1 (29.4.2025) |

|                                                                      |                  |                                                                                     |       |   |                                                                |                                     |
|----------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------------|-------|---|----------------------------------------------------------------|-------------------------------------|
|                                                                      | <b>Measure 3</b> | Expanding the coverage and supply of labor market programs in less affluent regions | MSPDY | 1 | Only strategic priorities defined; no implementation reported. | Responses No. 14-3591/1 (29.4.2025) |
| Priority 11 – Social Protection (Efficiency and Spending)            | <b>Measure 1</b> | Improving consumption and efficiency                                                | MSPDY | 1 | Only strategic priorities defined; no implementation reported. | Responses No. 14-3591/1 (29.4.2025) |
|                                                                      | <b>Measure 2</b> | Fiscal stabilization of the pension system                                          | MSPDY | 1 | Only strategic priorities defined; no implementation reported. | Responses No. 14-3591/1 (29.4.2025) |
|                                                                      | <b>Measure 3</b> | Improving the financing of labor market programs                                    | MSPDY | 1 | Only strategic priorities defined; no implementation reported. | Responses No. 14-3591/1 (29.4.2025) |
| Priority 12 – Social Protection (Governance and Crisis Preparedness) | <b>Measure 1</b> | Monitoring reforms and their performance                                            | MSPDY | 1 | Only strategic priorities defined; no implementation reported. | Responses No. 14-3591/1 (29.4.2025) |
|                                                                      | <b>Measure 2</b> | Disaster Preparedness and Response Examination                                      | MSPDY | 1 | Only strategic priorities defined; no implementation reported. | Responses No. 14-3591/1 (29.4.2025) |
|                                                                      | <b>Measure 3</b> | Improving the crisis response of existing social protection programs                | MSPDY | 1 | Only strategic priorities defined; no implementation reported. | Responses No. 14-3591/1 (29.4.2025) |

Source: Author's own research

**Note:**

Level of implementation:

1 – not started;

2 – in progress;

3 – partially implemented;

4 – fully implemented

**Abbreviations:**

MoES – Ministry of Education and Science

MoH – Ministry of Health

MSPDY – Ministry of Social Policy, Demography and Youth