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REPUBLIC OF MACEDONIA

NATIONAL REPORT

HUMAN SETTLEMENTS



INTRODUCTION

As a country in transition, Macedonia steps on the path towards market oriented economies, experiencing changes of the overall social and economic system, with an intention to implement the European criteria for values determination. Within this process, the structure of ownership has been changing, as well as relations in the society, including those in human settlements.

The issue of spatial development of human settlements is an important segment of the spatial system, as it includes series of elements composing the complex phenomenon of an urban settlement. Urban and rural settlements grow, communicate and behave like entities in which human life functions.

The quality of life in human settlements is directly dependent on the economic, technical, social and cultural level of development of the society.

At the same time, human settlements and urban ones in particular, represent focal points of the economic development, technical progress, social welfare and cultural contents of a given environment. This statement can be supported by the past, through messages of tradition. We should permanently go back in our past in order to trace the future.

Human settlements are trails in space, created through time.

Future perspective and development of human settlements is interrelated with the nature, as well as with man-created environment. Within this correlation, relations aimed at sustainable environment and human settlements development will be cultivated.

The national report contains global views, composed of a sequence of components, forming the mosaic of human settlements in the Republic of Macedonia, with traditional experiences stored, with natural environment and everyday pulsation of urban and rural settlements.

This report also provides a survey of the quality of life components, as well as survey of present problems and efforts to overcome them. It contains description of the existing situation and directions for future steps, aimed at quality of life improvement.

The activities carried out in the framework of the National Report preparation have been coordinated by the competent public authority, in charge of human settlements, i.e. physical and urban planning - Ministry of Urban Planning, Construction and Environment. In accordance with such institutional arrangement, the Ministry is a national center responsible for human settlements aspects.

The process of the National Report development involved other relevant public organs and organizations responsible for different areas, which took part through separate case studies that have been incorporated in this Report. Representatives of these organs and organizations have been members of the National Committee for the National Report development.

By implementing the model of dynamic groups, organized as rationally as possible, we had started by preparing separate case studies, resulting in an integral Report on human settlements. Other informative materials have been used for this purpose, too.

In the process of the National Report development we have also relied on the experiences gathered in previous United Nations conferences.

Apart from governmental, non-governmental organizations (Association of Architects, environmental NGOs) took part in the activities aimed at including the Republic of Macedonia in the United Nations Conference on Human Settlements Habitat 2, in Istanbul, as well as educational institutions, local self-governments, Chamber of Commerce and other entities.

The Report, in general, is a presentation of state of the urban continuity and certain views on sustainable future provision.

NATIONAL REPORT - REPUBLIC OF MACEDONIA

SECTION I

URBAN DEVELOPMENT AND HOUSING

This Section presents indicators of urban development, i.e. human settlements and housing, as a predominant contents of settlements, including the relevant segments of urban life. Population is the basic factor of human settlements and this Section presents data on the population in the Republic of Macedonia, as well as data on economic activities, infrastructure characteristics, environment protection, education, culture, social welfare, with particular emphasis on housing as a basic contents of human settlements.

1. GLOBAL INDICATORS

The Republic of Macedonia is situated in the South-Eastern part of Europe, or, more precisely, in the central part of the Balkans. The Republic of Macedonia borders on 4 countries: Bulgaria on East, Greece on South, Albania on West and FR Yugoslavia on North. The border line of the Republic of Macedonia is 850 kilometers.

The territory of the Republic of Macedonia has deep roots regarding its urbanisation, which can be proved by numerous material traces of settlements, marking the passing of time through centuries. The spiritual heritage is gloriously present in the essence of Macedonian people.

On September 8, 1991, the majority of citizens in the Republic of Macedonia, on Referendum, voted for independence of the Republic of Macedonia. On November 17, 1991, the Assembly of the Republic of Macedonia adopted the new Constitution of the Republic of Macedonia, as an independent and sovereign state.

The Republic of Macedonia covers a territory of 25.713 square kilometers. The Republic of Macedonia is mainly mountainous country, with a vertical division. Apart from the noticeable mountain massifs, a significant part of the relief structure is occupied by valleys and valley-like plains.

The geographical position of the Republic of Macedonia imposes presence of different climate influences, with two predominant climate zones - Mediterranean and continental, each with its own variations. With reference to hydrographical characteristics, Republic of Macedonia is listed among areas with mainly satisfactory

water resources. However, the water resources are disproportionally distributed over the territory. Researches in geological formations indicate presence of certain quantities of metals and nonmetals.

Seismic researches indicate that the territory of the Republic of Macedonia is characterized with high seismic activity of 5-10 degrees by MCS.

With reference to relief structure, 17830 square kilometers of the territory are located at a height of up to 1000 meters over sea level, and 7883 square kilometers of the territory is located at a height over 1000 meters over sea level.

The greatest part of the territory of the Republic of Macedonia belongs to the watershed of Vardar River, minor part to Crni Drim River watershed and the smallest part to Strumicka River watershed. The longest river is Vardar, with a length of its course through the Republic of Macedonia of 302,6 kilometers.

The three natural lakes are situated in the Southern part of the Country, and these are: Ohrid Lake (with a depth of 285 meters), Prespa Lake (depth of 52 meters) and Doyran Lake.

Forests and wooded land cover 50% of the territory, posing appropriate effect on the overall milieu, as an environment of urban and rural settlements.



Ohrid Lake

2. NATURAL ENVIRONMENT

The natural environment of urban and rural settlements in the Republic of Macedonia represents a qualitative component of the disposition of human settlements. In circumstances of relatively small sized human settlements, disposed in a natural landscape, with different natural characteristics, the location of human settlements, in wider environment, generally speaking, is optimal. This characteristic is less intensive in terms of urban tissue of big cities disposition, especially the one of the City of Skopje, as a main administrative, economic and cultural center of the Country, where the links with the natural environment are getting weaker and weaker, due to the size of the urban coverage. In addition to the existing nature, the care for natural landscapes contributes to the creation of preconditions for optimal development of urban settlements.

The territory of the Republic of Macedonia, in terms of its geographic position, geological and pedological composition and climate conditions, is reach with different natural values and rarities, such as mountain, forest and lake ecosystems. Most significant natural rarities are the national parks: "Pelister", "Mavrovo" and "Galicica"; monuments of nature: Ohrid, Prespa and Doyran Lakes; formations of basalt plates; caves; paleontological sites; memorial monuments of nature and other natural rarities.

There are 3 tectonic lakes in the Republic of Macedonia, over 30 ice lakes, over 20 artificial accumulations, 15 mountains with peaks of over 2000 meters of height over sea level, 15 valleys and 35 bigger and smaller rivers.

The natural, cultural and historical area of Ohrid has been enrolled in the UNESCO's List of the World Cultural and Natural Heritage (1979), as world natural and cultural heritage of universal values.

In the Republic of Macedonia, 69 sites of nature, covering territory of 170235 hectares of natural heritage, are protected, which is 6,62% of the total territory, and these are: 3 national parks covering a territory of 108338 hectares; 3 areas with exceptional natural characteristics (2338 hectares); 14 separate species of flora and fauna outside natural reserves (2709 hectares); 48 monuments of nature (56850 hectares).

3. POPULATION AND HUMAN SETTLEMENTS

Basic sources of data on number and structure of the population in the Republic of Macedonia are censuses of population. So far, nine censuses had been carried out: in 1921, 1931, 1948, 1953, 1961, 1971, 1981, 1991 and 1994.

It is important to point out that the results of censuses carried out after the Second World War, except for the last one, conducted in 1994, had been presented according to the concept on existing population. Namely, existing population referred to the persons with permanent residence on the territory of the Republic of Macedonia, regardless of whether they were present in the Country at the time of Census and regardless of the length of their stay abroad.

The data derived from 1994 Census are presented according to the concept of total population. According to the Law on Census, total population includes:

1. Persons with permanent residence in the Republic of Macedonia, regardless of whether they are present in the place of their official residence at the time of the Census or in another place in the Republic of Macedonia;
2. Persons having a permit to stay in the Republic of Macedonia and have been temporary present in the Republic of Macedonia for a period of one year at least, but with an official place of residence outside the Republic of Macedonia, with an exception of refugees and provided for persons for humanitarian reasons from other countries;
3. Persons having an official residence in the Republic of Macedonia and at the time of the Census, but up to one year before it is conducted, have been staying abroad as employees or members of their families;
4. Persons having an official residence in the Republic of Macedonia and at the time of the Census conducting have been working in diplomatic and consular offices of the Republic of Macedonia in other countries, as well as in the United Nations Organizations and its organizations, representatives of different associations abroad and members of households temporary staying abroad together with the said persons.

While comparing the data on population, those from the 1994 Census shall be derived in the manner to be comparable to the data of previous censuses, in which different definition of total population had been used. The derived data, apart from total population, also include persons living abroad for a period of over one year and exclude persons with a permit to stay in the Republic of Macedonia and live there for a period of less than one year, as well as refugees, provided for persons for humanitarian reasons and others. According to the data derived from the 1994 Census, the total number of population in the Republic of Macedonia is 2.075,196 inhabitants.

3.1. DATA ON THE POPULATION

According to the Initial '94 Census' Results in the Republic of Macedonia, published on November 14, 1994, the total number of inhabitants was 1.936,877. 976051 out of this number refers to male population, and 960826 to female population. With reference to the age of the population, according to age groups of five years, the largest group is the one from 10-14 years of age (167097) and the group of 75 and over is the smallest (46506).

According to the statements provided by the citizens on ethnic affiliation, Macedonians make the largest group, counting 1288330 (66,5%), then Albanians - 442914 (22,9%), Turks - 77252 (4,0%), Romans - 43732 (2,3%), Serbs - 39260 (2,0%) and Vlachs 8467(0,4%). The group of "others" counts 34960 (1,8%), and 1962 persons (0,1%) made no statement at all.

According to the data, the number of inhabitants in the Republic of Macedonia, based on the Initial '94 Census' Results, is 2075196. 1378678 out of this number are

Macedonians, 478967 Albanians, 81615 Turks, 47408 Romans, 39866 Serbs, 8574 Vlachs and 40079 others.

In order to show the developments of population, based on 1953, 1961, 1971, 1981 and 1991 censuses, and outline the number of households, as well as number of persons in a household, the data have been presented in the following Table.

year of the Census	population	households	number of persons per household
1953	1304514	246313	5,30
1961	1406003	282214	5,02
1971	1647308	352034	4,48
1981	1909136	435372	4,38
1991	2033946	505852	4,02

The growth of the population in terms of number can also be observed through the number of inhabitants per square kilometer. Thus, in 1953, the number of inhabitants was 50,7 inhabitants/square kilometer, in 1961 it was 54,7, in 1971 64,1, in 1981 74,2 and in 1991 it was 79,1 inhabitants per square kilometer.

If we analyze the development of the population in terms of number and ethnic structure, we can conclude that the increase of the population from the first year analyzed (1953) compared to the last one (1994) is 770682 persons, or 62,9%. Regarding the ethnic structure, the highest increase of proportional participation in the total number of population of the Republic of Macedonia (1953 - 1994) was noted with the Albanians - 10,7%. For the same period, this increase with the Romans was 0,7% and with Macedonians 0,4%. There had also been reduction in proportional participation of certain ethnic groups in the total number of population in the same period: with Turks it was -11,7%, with Serbs -0,8% and with Vlachs -0,3%.

There have been several reasons for this, the most important of which are the following:

- external (international) migrations, mainly in two directions. The first is characterized with the emigration of members of the Turkish ethnic group from Macedonia in 60s and 70s. The second direction refers to emigrations in the European and over sea countries, mainly for economic reasons. These kind of migrations include all ethnic groups, and not only those the number of which decreases compared to the total number of population.
- the increased birth rate combined with migrations (immigrations) is the main reason for the increase of the number of Albanians compared to the total number of population;
- in the course of the last 4-5 years, the number of population was impacted by the circumstances caused by the dissolution of former SFR Yugoslavia, i.e. the war in some

of the former Yugoslav Republics. It resulted in additional migrations of population in the region of former Yugoslavia. In the case of the Republic of Macedonia, there had been emigrations of persons employed in the former Yugoslav People's Army, the majority of whom had been of Serbian ethnic affiliation on one hand, and returning home of Macedonians who lived and worked in other Republics, on the other.

For example, the number of persons settled in the Republic of Macedonia in 1993 was 8099, and for the same period 7030 persons moved out. It means that the ratio between the processes of migration from and in the country had positive value in 1993 for the first time and equaled 1069. In 1994, 9808 persons moved in the Republic of Macedonia, while 9222 persons moved out, resulting in a positive ratio of 586 persons.

In 1994, the number of live births in the Republic of Macedonia was 33487, and the number of deaths 15771. The number of live births is highest in Skopje (8793), then in the Municipality of Tetovo (4067), and it is lowest in the Municipality of Demir Hisar (115).

Number of live births in urban settlements is 18035. It is highest in the City of Skopje (6496 or 36,0%), followed by Kumanovo (1308 or 7,3%), Tetovo (1061 or 5,9%), etc.

Number of deceased persons in urban settlements in 1994 was 9101. This number is highest in Skopje (3315 or 36,4%), Bitola (809 or 8,9%), Prilep (642 or 7,1%), etc.

The birthrate in the Republic of Macedonia in 1994 was 17716. The birthrate is highest in Skopje (4895) and Tetovo (2897), and lowest in Demir Hisar and Kratovo, where negative birthrate has been recorded (-17 and -10, respectively). The birthrate by cities, at the Republican level, is 8934 and it is highest in Skopje (3181), Kumanovo (740) and Gostivar (692), and lowest in Berovo (-3).

In 1994, at the national level, 15736 marriages had been concluded, and 612 divorces executed. The number of marriages is highest in Skopje (4205) and Tetovo (1761), and lowest in Kratovo (47). The number of divorces is highest in Tetovo (95) and Skopje (76).

If we compare separate population development elements of 1953 to those of 1994, at national level, we can conclude that all elements register decreasing (except for marriages concluded). The reduction of number of deaths in infants per 1000 live births is notable, from 138 in 1953 to 22,5 in 1994, which is a result of increased care for mothers and infants provided by health organizations and improved living conditions.

Analyzed by municipalities, according to the Initial '94 Census' Results, the number of population is highest in the City of Skopje (composed of five municipalities) equaling 541280 (27,9%), followed by Tetovo 174748 (9,0%), Kumanovo (126543), etc.

Municipality with lowest number of population is Demir Hisar with 115 (0,5%), Kratovo with 10855 (0,6%) and Makedonski Brod with 10912 (0,6%).

The average population density in the Republic of Macedonia is 75 inhabitants per square kilometer. Analyzed by municipalities, the population density is greatest in Skopje (as a community of municipalities) with 291 inhabitants per square kilometer,

followed by Tetovo with 160 inhabitants per square kilometer, and smallest in the Municipality of Makedonski Brod with 12 inhabitants per square kilometer.

Analyzing the aspect of population density in the Republic of Macedonia through the censuses conducted, we can conclude that it has been showing a trend of increasing: in 1948 it was 44,8 inhabitants per square kilometer; in 1953 it increased to 50,7 inhabitants/square kilometer; in 1961 the population density was 54,7; in 1971 - 64,1; and in 1981 it was 74,2 inhabitants per square kilometer.

3.2.EMPLOYMENT AND UNEMPLOYMENT

The number of employed persons has been increasing, so that in 1976 the number of persons employed was 347070 (284800 out of which work in economic activities and 62270 in non-economic activities); in 1981 the number of employed was 435378 persons (360861 in economic and 74517 persons in non-economic activities); in 1991 the number of employed was 468372 persons (381924 in economic and 86448 in non-economic activities).

However, in circumstances in which the social and economic system undergo changes, economic entities adapt to the conditions of market operations and socially owned enterprises carry out transformation processes, combined with the necessity to solve the issue of the surplus of employees cumulated for years, numerous bankrupt procedures and unfavorable situation in which the Republic of Macedonia has found itself in the past several years, have lead to a significant reduction of production, as well as further reduction of the number of employed persons.

At the end of December 1995 the number of persons employed was 386737, which is lower in comparison with the number of employed persons in the previous years. For example, the number of workers with regard to December 1994 (a period of one year) was reduced for 39236 workers. The greatest reduction was recorded in industry and mining - 20437 workers and trade - 7577 workers. The aggravation of the state of employment is accompanied with the increasing number of bankruptcy procedures in enterprises recording losses in their operations. Thus, in 1995 the number of unemployed persons registered on the basis of bankruptcy was 26135.

The issue of unemployment is severe and has great impact on the quality of life in urban areas, in which it is most outstanding, particularly in big cities. The negative trends of underemployment continued in the period of transition. The said period is characterized with an increase of persons seeking job for the first time, i.e. young people. In 1976, the number of persons seeking job was 98114, in 1981 this number was 126645 and in 1991 - 164816 persons. The number of unemployed in 1995 was 216222; in January 1996 it increased to 228985. 169977 out of the last number (74,2%) are persons seeking employment for the first time, 106858 (46,7%) are women and 124247 (54,3%) are persons under 30 years of age. The structure of unemployed according to the degree of

education is the following: primary education, unqualified and partially qualified - 51,7%; secondary school - 23,7%; qualified and highly qualified - 14,9%; and persons with university degree - 2,5%.

The issue of unemployment is extremely serious in cities. In Skopje, there are 59522 (26,0%) unemployed persons, in Kumanovo 20514 (9,0%), Prilep 12771 (5,6%), Titov Veles 11587 (1%), Bitola 10713 (4,7%), Tetovo 10492 (4,6%). In other words, total number of recorded unemployed persons seeking a job in these six cities is 125599 or 54,9% of the total number of unemployed persons.

Due to the above stated, future activities in the area of employment of people seeking job should be directed towards creating new jobs through revival of economic activities organized in a system of small and medium size enterprises, and by financial support provision for profitable programmes, from domestic, as well as foreign financial sources.

3.3. URBAN AND RURAL POPULATION

The term urban population stands for the population with an official residence in urban settlements, as well as settlements attached to urban entirities. Such urban entirities in the Republic of Macedonia are: Gostivar, Kavadarci, Kumanovo, Prilep, Probishtip, Titov Veles and Skopje. In the municipality of Berovo, urban population is composed of citizens with an official residence in the settlements of Berovo and Pehchevo. The settlements of Makedonski Brod and Demir Hisar are headquarters of municipalities only.

According to Initial 1994 Census' Results, there are 29 cities in the Republic of Macedonia, with over 30000 each: Skopje (440577); Bitola (75385); Gostivar (37980); Kavadarci (32692); Kumanovo (66237); Ohrid (41213); Prilep (67371); Strumica (33244); Tetovo (50376); Titov Veles (46570) and Shtip (41637).

The development of urban settlements with over 30000 inhabitants is presented on the following Table. The presentation of the population growth in urban settlements is based on the data collected in the censuses conducted from 1961 to 1981.

	1961	1971	1981
Skopje	197341	312980	408143
Bitola	49001	65035	78507
Kumanovo	31845	47809	63098
Ohrid	16492	26369	39093
Prilep	39611	50757	63639
Shtip	20269	27224	36230
Tetovo	25357	35745	46523
Titov Veles	27154	36525	43193

The total number of urban population in the Republic of Macedonia is 1137121 or 58,7 % of the total population. In 14 out of 34 municipalities, the number of urban population is higher compared to rural population. These municipalities are: Shtip (82,4%); Skopje (81,4%); Kavadarci (78,2%); Prilep (72,2%); Bitola (71,1%); Titov Veles

(71,1%); Ohrid (67,7%); Sveti Nikole (62,1%); Kratovo (59,8%); Debar (54,5%); Kochani (54,3%); Negotino (54,2%); Vinica (52,4%) and Kumanovo (52,3%).

The next Table shows the number of urban and rural population, based on the data resulting from censuses conducted from 1953 to 1994.

	1953	1961	1971	1981	1991	1994
Total	130454	1406003	1647308	1909136	2033964	2075196
Urban population	408229	542933	803079	1053102	1181894	1218140
Rural population	896285	863070	844229	856034	852070	857056
Total	100.0	100.0	100.0	100.0	100.0	100.0
Urban (in%)	31.3	38.6	48.8	55.2	58.1	58.7
Rural (in%)	68.7	61.4	51.2	44.8	41.9	41.3

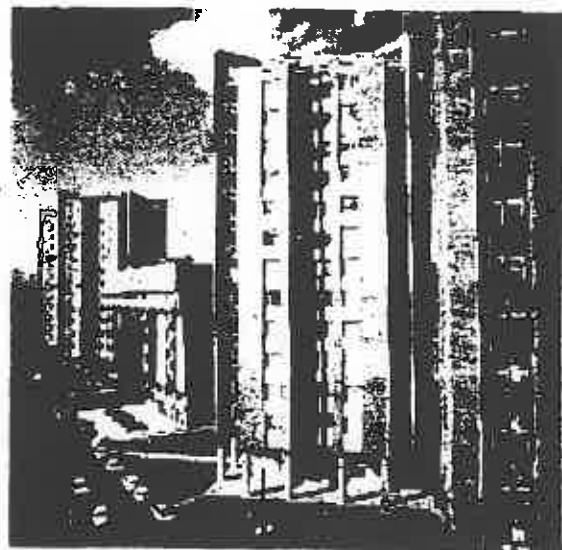
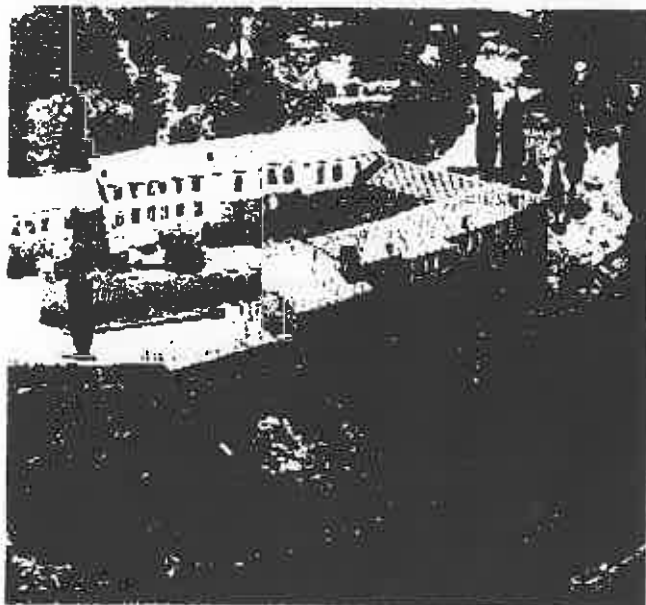
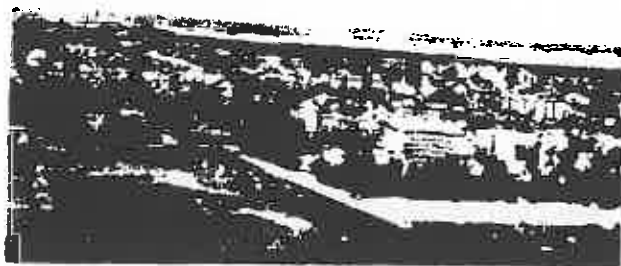
Based on the censuses, the number of urban population has been in constant growth. Thus, from 408229 inhabitants (31.3% of the total population) in 1953, the number of urban population increased to 1218140 (58,7%) in 1994. In 1981, the number of urban population was higher than the number of rural population and amounted to 1053102 or 55.2% of the total population.

The growth of urban population results, first of all, from migration trends on the relation rural-urban settlement, leading to higher and higher concentration of population in cities, municipal centers and particularly in Skopje, as a major administrative, economic and cultural center of the Republic of Macedonia. On the other side, these trends lead to population declining in some areas, back warding of economic activities and even full desertion of certain settlements.

According to the current administrative territorial division, there are 34 municipalities in the Republic of Macedonia, 1753 settlements and 1611 local communities. The preparation of a new Law on Teritorial Division of the Republic of Macedonia is underway. This Law is expected to provide for an increased number of municipalities.

3.4. SYSTEM OF SETTLEMENTS

Urbanization as a complex process of development has shown a trend of significant and permanent growth. Thus, in 1994, the average level of urbanization of the Republic of Macedonia was 58,7%.



Human Settlements



This dynamics of urbanization reflects the intensity of social and economic development, as well as industrialization and rural - urban settlements direction migration processes.

The system of settlements consists of two basic types of settlements: urban settlements, the network of which has been proportionally arranged over the territory of the Republic of Macedonia, and rural settlements, with various levels of proportionality in terms of placement in different areas.

There are 27 cities in the Republic of Macedonia, the majority of which are situated in the plain parts of the Country (23 cities), 3 cities in the hilly and valley relief (Kratovo, Kriva Palanka and Probishtip) and the settlement of Krushevo, situated in the mountainous relief.

50% of the settlements are situated in the plain zone. The majority of these settlements are located in major valleys: Skopje, Pelagonija, Polog and Strumica-Radovish Valleys.

32,4% of the settlements are located in hilly zones, and 17,6% in mountainous zone. The latter contains greatest number of deserted settlements.

As a result of intensive migration processes on the relation rural to urban settlements, as well as hilly-mountainous rural settlements towards the settlements located in the plain parts of the Country and along the main transportation routes, certain settlements experience spatial expansion, causing insufficient level of communal development of the said settlements.

If we analyze spatial distribution of rural settlements in spatial entireties, we can conclude that the number of rural settlements is highest in the western part of Macedonia, counting 782 villages or 46,8% of the total number. This spatial entirety has the most dense network of rural settlements: 7 villages per 100 square kilometers or one village per 14 square kilometers of space. 450 rural settlements or 27,1% of all villages in the Republic of Macedonia are situated in the Vardar River Valley. In this spatial entirety, there are 5,9 villages per square kilometer or one village per 16,7 sq./km of space.

With reference to the size of rural settlements in the Republic of Macedonia, there are 862 villages of up to 300 residents, representing 52,2% of the total number of rural settlements; 378 rural settlements have up to 100 residents, representing 23,3% of the total number of rural settlements.

With reference to the type, the majority of rural settlements are compact (88,8%), and dispersed (11,2%), located mainly in the North-Eastern parts of the Country, i.e. municipalities of Kriva Palanka, Kumanovo and Kratovo. The majority of dispersed rural settlements (389) are situated in areas at over 1000 meters over sea level. The process of abandonment of these settlements is continuing. The situation with reference to settlements situated in areas at 800 to 1000 meters over sea level (about 22%) is similar.

The following Table shows the distribution of settlements according to the height over sea level:

Height over sea level (in meters)	% of settlements	Number of urban settlements
to 300	11.7	7
301-500	19.4	6
501-800	42.1	12
801-1000	16.1	2
1001	10.7	2

The first three groups are characterized by size increase or population growth, while the last two groups of settlements face abandonment by the population, i.e. the number of residents is permanently declining.

There are trends of population growth in rural settlements located near municipal centers. This trend is especially evident rural settlements located in the Valleys of Polog, Pelagonia, Skopje and Strumica, and some other areas, which are influenced by favorable factors, such as: natural conditions suitable for agricultural production, modern communication networks, relatively short distances to urban settlements, etc. Thus, in the area around the City of Skopje, and particularly in the Valley of Skopje, there has been a population growth in 72 settlements.

Population growth is also notable in the following municipalities: Tetovo, in 73 rural settlements; Gostivar, in 37; Debar, in 25; Kichevo, in 24; Struga in 29; Bitola, in 50; Strumica, in 48; Kumanovo, in 26 rural settlements, etc. There are 68 rural settlements in the Republic of Macedonia, with over 2000 residents, 30 of which have over 3000 residents (11 located in the municipality of Tetovo, 8 in the municipality of Gostivar).

The growth of settlements located near major urban settlements shows that there is a process of daily migrations; in other words, rural settlements located around major urban settlements are undertaking the role of suburban areas, with residents employed in the city. It is considered a positive tendency, as it contributes to retention of population in rural settlements and declines the pressure over cities.

There are also rural settlements and municipalities in which the size of population keeps declining. For instance, the number of population in the municipality of Makedonski Brod has been declining in 49 out of 54 settlements; in the municipality of Kavadarci, the number of population has declined in 38 out of 49 rural settlements; in the municipality of Prilep, the number of population has declined in 93 out of 106 rural settlements.

An important role in terms of rural settlements development is played by the Communities of Rural Settlements' Centers (128 rural settlements function as centers engaged in improving the development level in settlements belonging to their gravitational area). The role of these centers is especially important for more intensive development of hilly and mountainous, border and other areas in the Republic of Macedonia with low population density.

The governance of spatial development is aimed at gradual decentralization and rationalization of space and functional dispersion of settlements, through an

implementation of polycentric system of settlements, containing: State Center; Urban Settlements; Communities of Rural Settlements' Centers; and Rural Settlements. This kind of ranging provides for an optimal connection of settlements and functional arrangement, depending on the role of settlement within the system of settlements. This is expected to create grounds for more proportional spatial development of the Republic of Macedonia in general. More intensive development of Communities of Rural Settlements' Centers, as well as acceleration of the process of urbanization, will contribute to the reduction of migration trends and, simultaneously, improvement of the quality of life in rural settlements covered by the said Centers.

4. ECONOMY

The rate of economic growth, observed by periods, has been carried out with different intensity. In the period between 1953 and 1970, the social product recorded intensive growth, with an average annual increase of 8,0%; after that, we experienced a period in which the rate of growth was slowed and amounted to 6,0%, and the period between 1980 and 1990 was marked with stagnation (0,1%). In the period following 1990, we had high real decrease of the social product.

The Republic of Macedonia declared its independence in 1991 (the Referendum on independence took place on September 8, 1991, and the new Constitution of the Republic of Macedonia as an independent state was adopted on November 17, 1991), which opened the doors for the processes of radical reforms in the economic and political systems. The changes have been aimed at establishing new, market oriented relations among economic entities, as well as founding institutions typical for a system of market economy. Key activity in the system reform is the change of the structure of ownership.

The transition of Macedonian economy is being carried out in circumstances of severe financial difficulties, owing to problems generated through a long period, as well as negative trends with recessive and destabilising characteristics. Unfavourable developments have become even sharper because of the loss of former Yugoslav markets, high deficits and losses in enterprises. Also, our economy had suffered gravely, as a result of the sanctions imposed by the UN Security Council against Serbia and Monte Negro, as well as slow and limited economic support and compensation for the damages suffered. The economic and transportation embargo imposed by the Republic of Greece caused negative effects on our economy, too. Thus, the Republic of Macedonia was placed in a position of total infrastructure, economic, financial and other kinds of isolation, resulting in extremely negative impacts on the economy. As an illustration, damages suffered by UN sanctions, direct and indirect, for the period 1992 to 1993, have been estimated to 3,0 US\$ billion.

These are the unfavourable economic circumstances, where certain production facilities were put completely out of operation, in which citizens were to survive and the

atmosphere in which spatial development and urbanisation of cities and rural settlements was to be carried out.

There has been a trend of social product per capita declining, from 1087 US\$ in 1990 fall to 614 US\$ in 1994.

The process of transition of the economy of the Republic of Macedonia towards an open market economy is carried out through ownership and economic restructuring, by means of privatisation of the existing economic entities, as well as establishment of new, small private enterprises and independent offices. The number of these businesses is increasing, which is considered as a positive trend supporting the revival of economic life in the Republic of Macedonia.

There are 86985 enterprises registered in the Republic of Macedonia, the greatest number of which are those registered for trade activities (53929), industry and mining (8284), financial, technical and other services (5616), handicrafts and personal services (4193), traffic and communications (4161), construction (3284), hotel management and tourism (2926), agriculture and fishery (2484), health and welfare (908), education, science and culture (860), forestry (167), housing and communal activities (118), watersupply (14) and other activities (41).

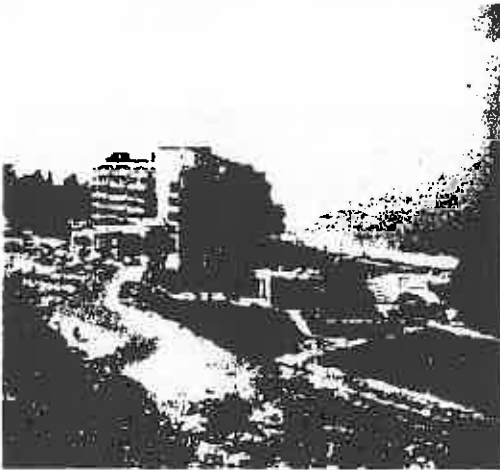
Analysed by municipalities, the number of registered enterprises is highest in the City of Skopje, as a Community of five municipalities, where 35888 enterprises exist. Namely, the municipality of Centar has 9458 enterprises, municipality of Kisela Voda - 9283, municipality of Karposh - 8328, municipality of Chair - 4424 and municipality of Gazi Baba has 4395 registered enterprises. In the City of Bitola, 6126 enterprises have been registered, in Kumanovo 5266, Tetovo 4684, Strumica 4582 and Ohrid 3623.

The total number of private entities engaged in different activities in the Republic of Macedonia is 34902. The number of private entities registered for handicraft activities is highest (13529), trade - 11913, traffic - 5732, hotel management and tourism - 3677, construction - 621, financial services - 260, industry and mining - 29, agriculture - 25, science and education - 19, and forestry and housing one entity for each.

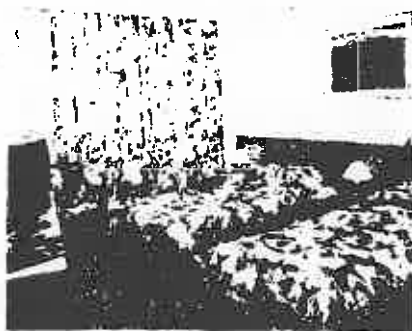
The economic activities are most intensive in the biggest cities, such as Skopje, Bitola, Ohrid, Strumica, Shtip, Tetovo, Kumanovo, etc.

The level of economic development is unproportional in different areas and settlements. Thus, economic subjects are heavily concentrated in Skopje and other bigger cities and, at the same time, there is a slow rate and insufficient level of development in smaller towns and municipalities, such as Makedonski Brod, Kratovo, Krushevo, Demir Hisar and other settlements.

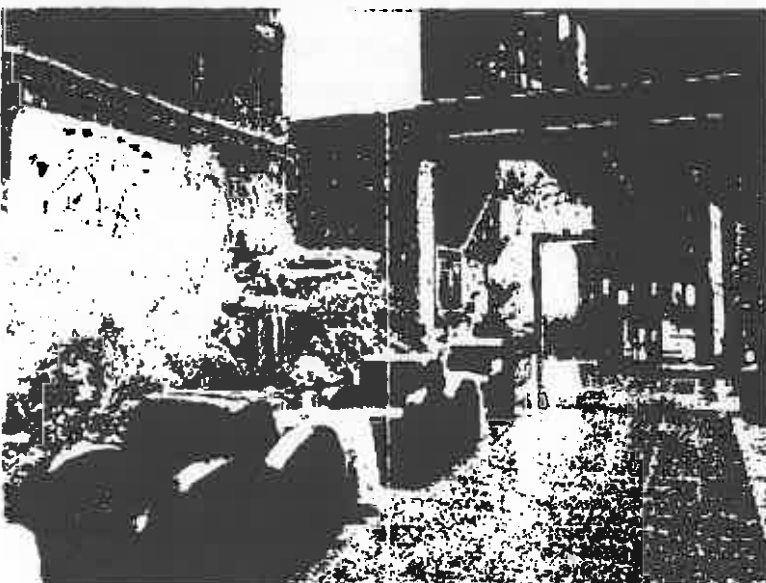
According to the Law on Stimulation of the Development of Economically Underdeveloped Areas, governing measures for development stimulating, there are 11 municipalities with a status of underdeveloped areas, as well as specific areas, including mountain, border and generally underdeveloped areas. Mountain areas include settlements located at a height of above 800 meters over sea level with predominantly



Tourist



Facilities



mountain character of the terrain. The status of border areas refers to settlements located at a distance of 5 kilometres from the state borders, including settlements located at a distance longer than 5 kilometres from the border, but being first settlements in the given area and having low level of economic activities and underdeveloped

infrastructure. The status of generally underdeveloped areas covers areas composed of several settlements with a low level of economic activity, insufficiently developed infrastructure and low population density.

4.1. TOURISM

Tourist industry or tourist trade is based on the seasonal occupation of tourist centres, as well as economic effects on tourism and complementary activities. Influenced by the seasonal tourist migration in the course of July and August (main tourist season) to the tourist centres, particularly to the Ohrid Lake region, the tourist turnover is ten times higher compared to the one in January and February.

There are 34 tourist centres in the Republic of Macedonia, with appropriate facilities for tourist stay: 7 mountain, 12 lake, 8 transit and 7 sanatorium resorts. Appropriate additions could also enable additional 94 tourist resorts for tourist activities: 55 mountain, 24 lake, 7 sanatorium and 8 transit tourist resorts.

Internationally attractive and significant tourist resorts are the following: Ohrid and Prespa Region with the zone of the National Park of Pelister and winter resorts of Mavrovo, Shar Planina, the National Park of Mavrovo, as well as the region of Doyran Lake, Krushevo, sanatoriums and other types of resorts.

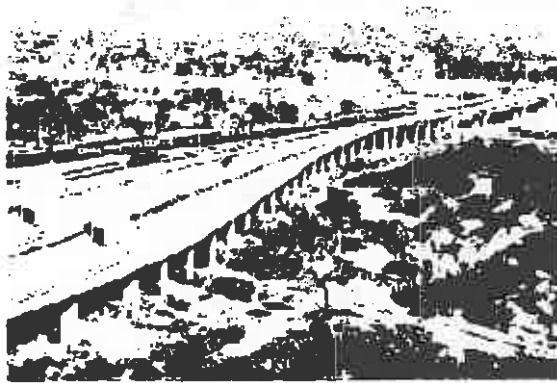
In 1991, the number of tourists was 710287, 102550 of which were foreign tourists. Areas around the lakes are most frequently visited by tourists (290189 tourists). For the same period, there had been 2740484 overnight stays of foreign tourists.

The development of tourist facilities can be illustrated through the number of rooms in different accommodation categories. In 1985, there were 69661 beds or 25152 rooms. In 1991, the number of beds increased to 80296 beds or 27551 rooms. Beds are placed in hotels (12901 beds, including all categories), motels (567), sanatorium resorts (1743), mountain hostels (120) and other facilities, and the number of beds is highest in private sector (27569).

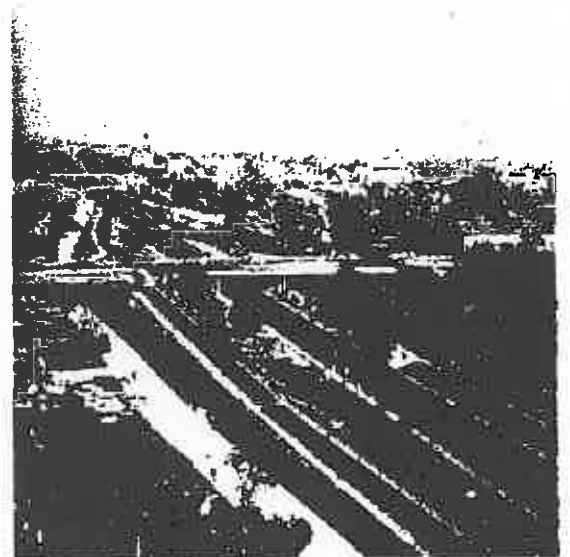
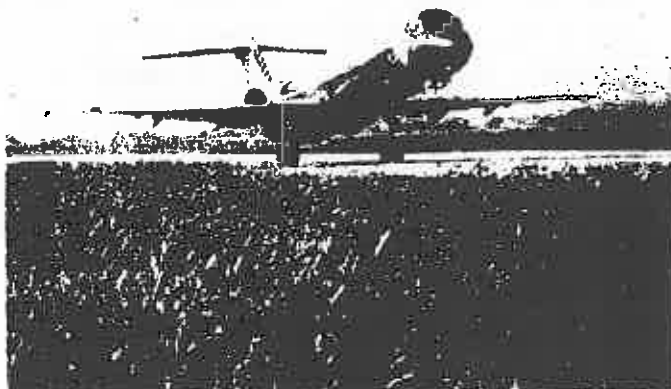
5. TRANSPORTATION INFRASTRUCTURE

An important prerequisite for communication between cities and rural settlements, composing a network of communication corridors, is the transportation infrastructure. It has an influence on the quality of mutual co-operation between different settlements and on the quality of life in general.

The most practical communication trace is the natural valley network, such as the Valley of Vardar River (North-South axis).



the same old -



Transportation network represents a system of highways, regional and local roads. Total length of the road network is 10166 kilometres, 944 kilometres of which are highway, 2673 kilometres regional and 6549 kilometres local roads.

The road network is adapted to the natural characteristics of the terrain, natural location and interconnection of settlements. Considering the need to establish economic communication with the neighbouring countries and necessity to have an access to sea ports, there is a need of constructing the East-West corridor, to provide communication on that direction, too. This corridor is appropriate to the geographic position of the Republic of Macedonia within the Balkans.

The railway traffic is carried out through a railroad network of 695 kilometres, 230 kilometres of which are electrified railroad lines.

The air traffic is carried out through two airports: in Skopje and Ohrid.

Taking into account the existing state of traffic and communications, there is a need of further development of transportation and communication networks in all directions. In this context, one of the priority tasks by the year of 2000 will be continued development of infrastructure, as it has a direct effects on the quality of life in urban environment.

The water supply for the population is solved in different manners: through regional water supply systems, public water supply systems and local springs. In dry periods, there are areas with deficit of drinking water supply, especially in summer periods and in certain settlements.

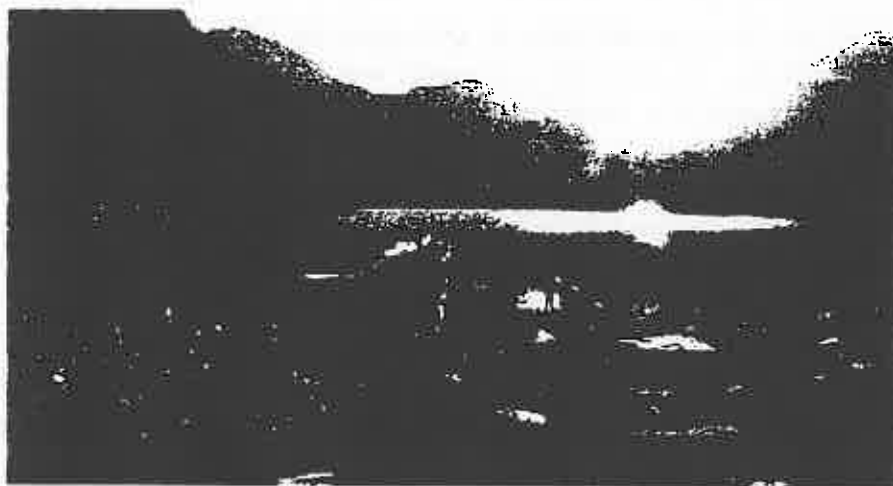
City settlements have sewerage systems, but the situation in this regard in rural areas is unsatisfactory, because the sewerage systems are inappropriate or local and inadequate ways of waste water evacuation are used.

Therefore, we need to intensify the activities regarding the improvement of water supply for different purposes, as well as sewerage systems development.

6. ENVIRONMENT

In the context of human settlements, one of the most important segment is the quality of environment, i.e. protection and improvement of environment. The main objective of projected activities is to make a rational use of the space, in order to acquire appropriate development of settlements and adequate level of quality of the basic components: soil, water and air.

Conservation of cultivated land and its rational use, as well as reduction of erosive areas through appropriate measures implementation, is the basic commitment in this field. There are 1663 recorded watersheds. Adequate activities need to be undertaken in order to improve the conditions in this regard.



The quality of air is monitored through measurements carried out by 30 stations located in areas sensitive with reference to the quality of air, i.e. areas in which industrial facilities are located. The most affected areas regarding air pollution are those with power, industrial and traffic facilities within their territories. Old technologies in some of the industrial enterprises and the increasing number of vehicles indicate an increasing

pollution of the air; however, taking into account current state of the economy and the fact that many industrial capacities are out of operation, the air quality is considered generally satisfactory, except for certain locations and seasonal periods (winter months). Skopje and Titov Veles are in the most critical situation in this regard.

Based on the above stated, future activities should be directed towards an introduction of new production sectors, with modern technologies and closed production cycles, that would result in improved environment quality. More adequate pollution control should be carried out, by establishing monitoring system and permanent controlling of emissions from potential sources of pollution.

As far as water supply is concerned, the majority of springs supplying drinking water to urban areas are situated in mountains and are unpolluted. There are local shortages of drinking water, causing frequent restrictions of supply in summer periods.

The majority of urban settlements, including the City of Skopje, have no wastewater treatment plants. So, the used communal water, combined with industrial wastewater, is being discharged into rivers without any treatment. For these reasons, the flows of Vardar, Bregalnica and Crna Rivers are polluted to a certain degree. The quality of water is examined at 58 measuring points, located on waterflows and lakes. The water supply systems have been improving. Thus, in 1949, only 23% of the population was connected to water supply systems, while in 1990 the percentage of population connected increased to 86%.

The construction of wastewater collection systems, particularly for the lakes, provides for a better protection of the water. Appropriate measures undertaking, aimed at more efficient water protection, are envisaged in the framework of future activities.

Construction of communal wastewater treatment plants, which would also collect pre-treated industrial wastewater, is considered as the most efficient way of water protection. Implementation of modern wastewater treatment technology is essential.

Another issue threatening to pollute groundwater is the inappropriate solid waste disposal which needs to be better organised in urban settlements. In the coming period, this issue will be paid greater attention and modern sanitary disposal sites should be constructed for the cities, as well as for the villages. This would contribute to the environment quality improvement.

For the purpose of successful environmental issues addressing, the Republic of Macedonia prepares its National Environmental Action Plan (NEAP), which is in its final stage. This document will set forth priority actions in the area of environment, in order to achieve higher quality of environment and human life in general.

7. CULTURAL HERITAGE

The Republic of Macedonia has rich cultural heritage, including movables and immovables, with wide variety in terms of kind and period of origin, possessing high cultural, historical, artistic and other values.

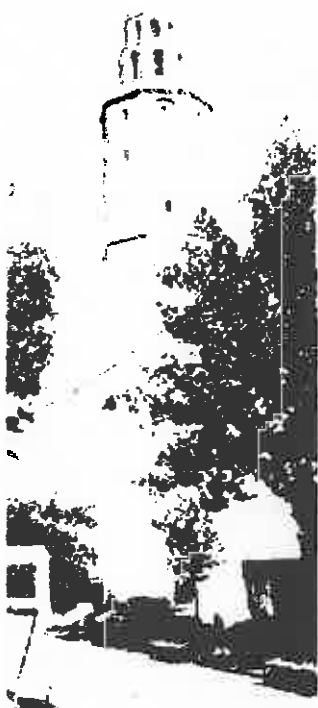
The majority of immovables of the cultural heritage are archaeological sites, churches and monasteries, as well as buildings of profane architecture in urban and rural environment. There is an official record on 9786 immovables: 4260 archaeological sites; 1726 churches and monasteries, containing over 150000 square meters of fresco paintings; 1213 buildings of profane architecture; 1026 monuments and monumental signs; 126 buildings of Mohammedan architecture; 47 towers, citadels and bridges; 32 business buildings and other types of structures; 24 business districts and other urban and rural facilities.

The most frequently found types of movables are the archaeological and ethnological items, coins and icons. There is an official record on 500 000 museum items (archaeological, ethnological, historical, applied art's items, etc.) disclosed in museums and galleries; over 26000 icons and 420 iconostasis, baldahins and bishops' thrones; about 11200 old printed books, 4400 manuscripts; specific library materials in libraries; archive funds; cinematographic funds; modern plastic art collections; private mixed collections with numerous artistic works, etc. It is important to point out that, apart from the official registry of movables, there are data on significant cultural heritage items which are dispersed in neighbouring and other European countries, as a result of different historical circumstances.

With reference to territorial distribution, the cultural heritage (movables and immovables) differs in the level of concentration on different parts of the country. Generally speaking, a significant part of cultural heritage (about 45%) is placed in rural areas and hilly-mountainous parts. The immovables are concentrated mainly in Ohrid and Struga region, while movables are most numerous in Skopje. An outstanding region in terms of cultural heritage presence is Pelagonia, while the Valley of Vardar is richest with archaeological sites.

The rich fund of registered cultural heritage (which is assumed to have monumental values) is a subject to permanent valorisation. In the past period, only a small portion of cultural heritage had been valorised and certain movables and immovables obtained a title of monuments of culture.

There are 1076 immovable monuments of culture on the territory of the Republic of Macedonia, 602 of which are buildings of profane architecture (510 in urban and 92 buildings in rural areas), 189 churches and monasteries, 110 archaeological sites, 58 structures of Mohammedan architecture (religious and profane), 58 monuments and monumental signs, 12 clock towers, 11 urban and rural entreties, 10 towers, citadels, 7 drinking fountains, 6 bridges, 2 cemeteries, 2 business structures, 1 aqueduct. The territorial distribution of immovables registered so far is rather proportional - each municipality in the Republic of Macedonia has several significant monuments of the same or different type.



The movables have been even less valorised than immovables. So far, the title of monument of culture has been entitled to 5 collections (4 works of modern plastic art and one collection of icons), 22 archaeological items, 10 ethnological items, 1 epigraphic motif monument and one manuscript.

The presented data show big ratio between the volume of historical heritage (movables and immovables) and monuments of culture (movables and immovables). This situation is a result of different circumstances in the past, due to which only a small part of historical heritage had been valorised. Taking this fact into account, one could not obtain a realistic picture of the material cultural heritage by presenting data on monuments of culture only, but it is necessary to present the cultural heritage in general. This claim can be supported by the fact that the cultural heritage valorisation is a continuous process, which in the case of Republic of Macedonia is far behind its completion.

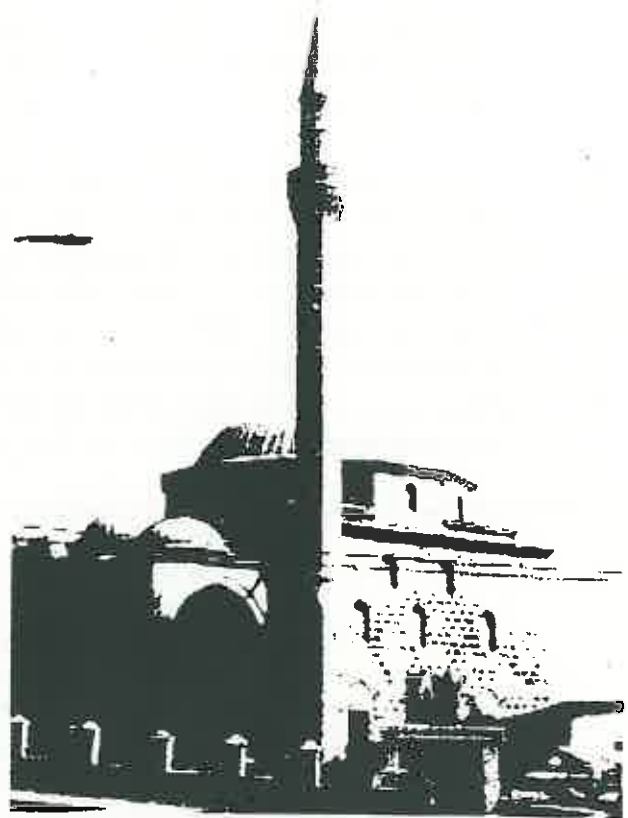
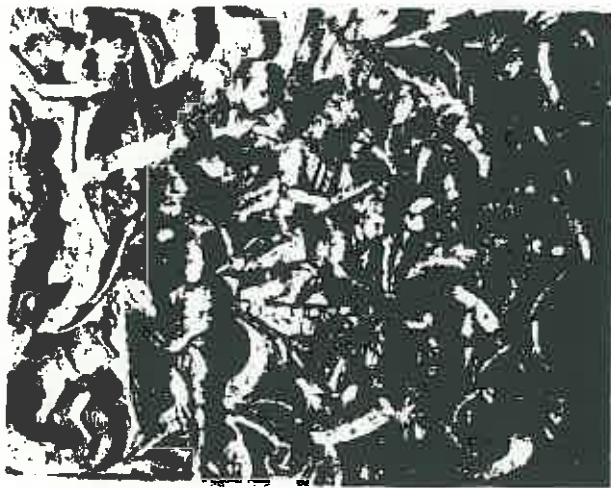
Institutions in the Area of Culture

The culture, as a complex area, covers the following activities: cultural heritage conservation (monuments of culture, museum activity, plastic art, library activity, stage and musical activities, film production, publishing activities and international co-operation, as component of each of the listed activities.

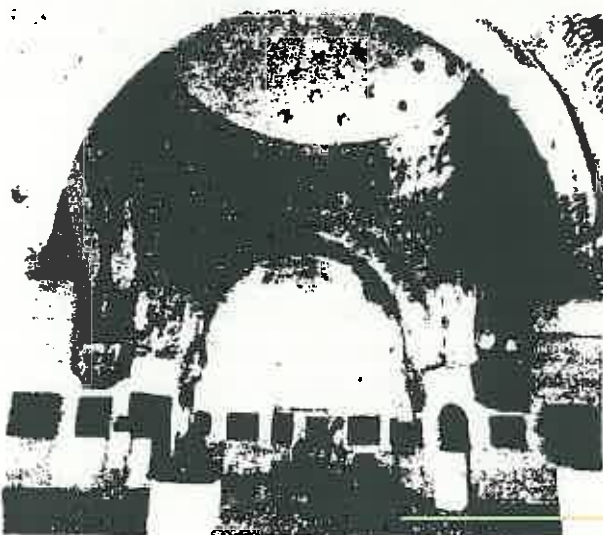
The cultural heritage conservation (monuments of culture), according to the Law, is carried out by institutes of cultural monuments conservation, functioning as public institutions, with responsibilities allocated by territorial coverage. There are 7 such institutes: Republican Institute of Cultural Monuments' Conservation, as a parent institution in charge in this area, covering also 24 municipalities in which there are no separate institutes; Institute of Cultural Monuments of the City of Skopje Conservation, based in Skopje; and 5 municipal institutes in Prilep, Bitola, Ohrid, Shtip and Strumica, respectively. Each municipal institute contains museums, too.

The museum activity is regulated by separate law, according to which it is carried out by museums, functioning as public institutions. There are 19 museums, 14 of which are independent and 5 operate as parts of institute of cultural monuments conservation in the above listed municipalities. Independent museums are the following: Museum of Macedonia-Skopje and Natural Sciences Museum of Macedonia - Skopje, functioning as parent institutions in the area; Museum of the City of Skopje - Skopje; and museums in Kratovo, Tetovo, Kavadarci, Kichevo, Krushevo, Titov Veles, Gevgelija, Sveti Nikole, Kumanovo, Struga and Negotino.

Activities concerning plastic art, according to the law applied to museum activity, are carried out by museums and galleries, as public institutions. Such institutions in the Republic of Macedonia are the following: Museum of Modern Arts - Skopje; Art Gallery - Skopje; Art Gallery - Strumica; activities in the area of plastic art are also exercised by other museums, which are not directly involved in modern plastic art, as well as houses of culture, various associations, etc. Specific type of plastic art activities are the colonies of plastic art, which are not institutionalised, but organised by public institutions in charge of other cultural activities (houses of culture mainly) and various associations.



Cultural Heritage



The library activity, according to the law, is carried out by libraries as public institutions. There are 32 libraries, 21 of which independent and 11 functioning within the houses of culture. Independent libraries are the following: National University Library "Kliment Ohridski" - Skopje, as a parent institution in this area, University Library "Kliment Ohridski" - Bitola, libraries in Skopje, Vinica, Gevgelia, Gostivar,

Delcevo, Kavadarci, Kichevo, Kochani, Kumanovo, Negotino, Ohrid, Prilep, Radovish, Struga, Strumica, Tetovo, Titov Veles, Shtip and Pehcevo; there are also 11 libraries functioning within houses of culture in the following municipalities: Berovo, Makedonski Brod, Valandovo, Debar, Demir Hisar, Kratovo, Kriva Palanka, Krushevo, Probishtip, Resen and Sveti Nikole. Libraries have 73 units in other settlements.

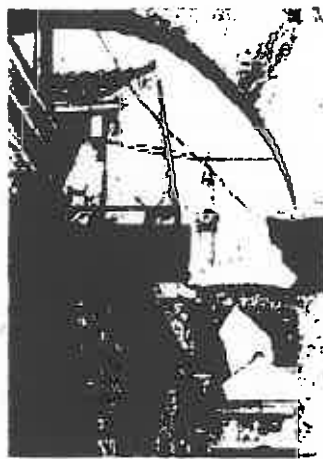
Stage and artistic activity is carried out in accordance with separate law and includes stage musical and theatre activities. The former is performed by the following subjects: Macedonian Philharmonic Orchestra - Skopje; Society for Folk Songs and Dances "Tanec" - Skopje, Opera and Ballet with the Macedonian National Theatre - Skopje, as public institutions. These kind of activities are also carried out by other institutions to a certain degree, such as: Cultural Information Centre - Skopje; Youth Cultural Centre - Skopje; Universal Hall-Skopje, as well as various associations: Musical Youth of Macedonia, Musical Youth of Skopje, Association of Composers and Association of Musicians - Skopje, etc. Special type of activity in this area are the musical festivals, which are not specifically institutionalised.

Theatre activity refers to stage artistic performances, carried out by theatres as public institutions. There are 10 theatres: Macedonian National Theatre, Drama Theatre, Theatre of Ethnic Groups (Turkish and Albanian Drama) and Theatre for Children and Young People - Skopje; there are also theatres in Kumanovo, Titov Veles, Shtip, Prilep, Bitola and Strumica.

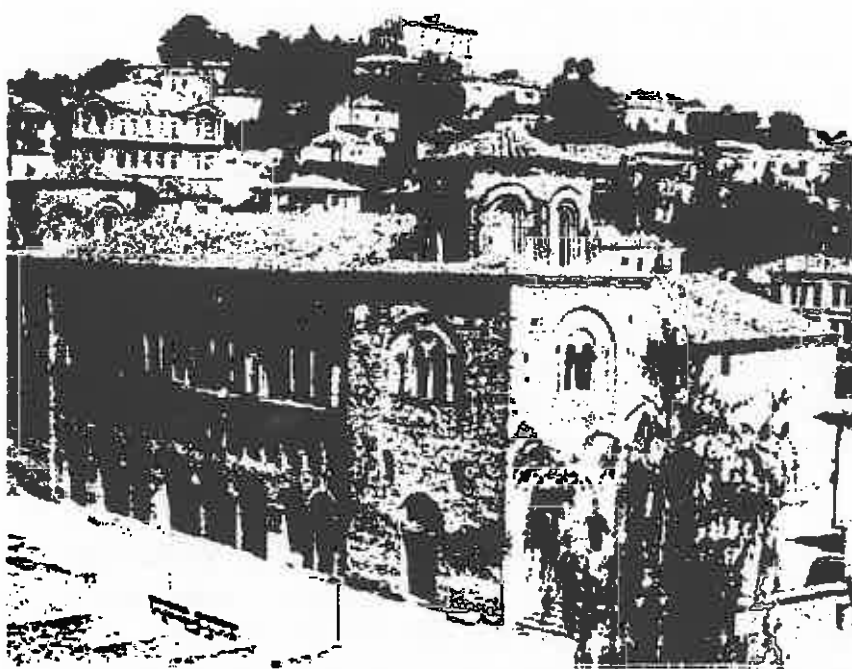
Film Production is performed by the following public institutions: Vardar Film- Skopje (moves distribution); City Cinemas - Skopje (moves display in cinema halls, as well as other premises and houses of culture); and Cinematography of Macedonia - Skopje (films and film materials maintenance, especially those of Macedonian film production). There are also private entities engaged in film production, distribution and display.

Cultural activities are also carried out by houses of culture. There are 40 such houses in the Republic of Macedonia in urban and other settlements; 18 cultural and educational communities in Skopje, Bitola, Valandovo, Gevgelia, Gostivar, Delcevo, Kichevo, Kratovo, Krushevo, Kumanovo, Ohrid, Radovish, Strumica, Titov Veles and Shtip, respectively; 5 cultural information centres in Skopje (2), Bitola, Kavadarci and Makedonska Kamenica. There are 70 cultural and artistic non-professional societies in this area. It also includes 21 different manifestations, which are not specifically institutionalised.

Publishing activity in terms of culture and international co-operation in the field of culture is not specifically institutionalised. It is performed by publishing houses and private publishers, on the basis of specific projects of interest to the cultural life.



Cultural Heritage



8. EDUCATION

The network of institutions in the area of education and sport activity in the Republic of Macedonia is organised in the following manner:

- There 1094 primary schools educating children up to eighth grade, 765 of which are located in rural settlements and 329 in cities.
- There are 329 secondary schools in the Republic of Macedonia (grammar and vocational), located in cities.
- There are 27 students' hostels for an accommodation of students, located in the cities, on the bases of regional coverage.
- University education is carried out in 31 institutions, located in cities (Skopje, Bitola, Prilep and Shtip).
- There are 7 students' dormitories for accommodation of university students, located in Skopje, Bitola, Prilep and Shtip.
- In the area of sport or physical culture, there are the following facilities: 3 swimming pools, 26 sport halls, 14 facilities of the Association for Physical Education "Partizan".

Taking into account financial difficulties faced by educational institutions, one of the more serious problems is maintenance of the buildings, particularly those of primary schools. The efforts are strengthened with reference to generally underdeveloped settlements, mountain and border settlements. These activities are supported by several international humanitarian institutions, such as: "Equilibr", "Krik" and "CRS".

9. HEALTH CARE

Health care and health services are carried out through a developed network of health care facilities and health care units in villages, in the framework of primary health care. The primary health care is provided in health stations, health centres and medical centres. There are 7 health stations in the Republic of Macedonia, responsible for primary health care (6 in Skopje and 1 in Tetovo); 18 health centres in the following municipalities: Berovo (2), Makedonski Brod, Valandovo, Vinica, Gostivar, Delchevo, Demir Hisar, Kratovo, Krushevo, Negotino, Probishtip, Radovish, Resen, Skopje (2) and Struga. There are 10 dispensaries within health centres in the following municipalities: Makedonski Brod, Valandovo, Delchevo, Kratovo, Negotino, Probishtip, Radovish, Sveti Nikole, Struga and Strumica, as well as 16 dispensaries in the framework of health centres, functioning as parts of medical centres, and these are placed in the following municipalities: Bitola, Gevgelia, Gostivar, Debar, Kavadarci, Kichevo, Kochani, Kriva Palanka, Kumanovo, Ohrid, Prilep, Struga, Strumica, Tetovo, Titov Veles and Shtip.

Primary health care of population in the Republic of Macedonia consists of the following facilities: 422 health units for general health care practice (72 in Skopje, 26 each in Bitola and Kumanovo); 115 separate location units (28 in Skopje, 15 in Bitola); 163 health care location units for children under 6 (22 in Skopje, 20 in Tetovo, 13 in Prilep); 79 health care location units for school children and young people (19 in Skopje,

14 in Bitola); 60 health care location units for women (19 in Skopje); 29 location units for lungs diseases and tuberculosis treatment and 5 for skin diseases.

With reference to health care network extension in rural settlements, there are 272 medical units located in villages in the Republic of Macedonia with resident doctors and 92 medical units located in villages, with visiting doctors.

The network of health organisations providing specialised and consultative services and specialised health care, i.e. secondary health care is extensive, too. The secondary health care in the Republic of Macedonia includes the following organisations: 17 general hospitals, 10 health protection institutes, 7 centres for treatment and rehabilitation, 2 specialised hospitals for breast diseases and tuberculosis, 2 specialised hospitals for mental diseases 2 other specialised hospitals.

Hospital activity is an important segment of the overall health care system, providing stationary health care for the population. On the basis of number of visitors in hospitals and stationary organisations in 1994, we can conclude that the total number of patients visiting hospital institutions was 10800. The majority of patients are stationed in general (4875) and specialised hospitals (4744). Among general hospitals, the most frequently visited ones are those in: Bitola (651), Shtip (560), Skopje (529), Tetovo (398), etc. Among specialised hospitals, most frequently visited are hospitals in Skopje (3313). The ratio between patients and total number of population in the Republic of Macedonia is 5,6/1000. Regarding separate hospital stationers, the ratio of visits is 2,5/1000 with general hospitals, 1,3/1000 with clinics and institutes.

The specialist tertiary health care in the Republic of Macedonia is provided at clinics and institutes of the Medical Faculty, clinics of the Stomatological Faculty and training units of the Medical Faculty in Skopje.

The institutes of health care represent separate organisational and functional entireties, providing preventive health care services in the area of hygiene, environment, epidemiology, microbiology and social welfare. There are 10 institutes of health care in the Republic of Macedonia in addition to the central one - Republican Health Care Institute in Skopje.

Apart from the above mentioned public health care organisations, private medical and stomatological offices and private pharmacies are growing. This process had been intensified with the adoption of the Law on Health Care, providing for independent practice in the area of health care. In 1994, there were 741 private medical health care organisations in the Republic of Macedonia: 216 medical offices (130 general and 86 specialised); 269 dentist's offices (262 general and 7 specialised) and 256 pharmacies. With reference to distribution by municipalities, the greatest number of private health care organisations are located in Skopje (310, 128 out of which are dentist's offices). Regarding the private medical health care organisations distribution by type of settlements, 678 are located in urban, and 63 in rural settlements. The majority of offices are located in Skopje (290). The structure of private health care organisations in urban settlements is the following: 103 general practice offices; 83 specialised health care offices; 242 general and 7 specialised dentist's offices; and 243 pharmacies. The situation

in rural settlements is the following: there are 27 general and 3 specialised health care offices; 20 general dentist's offices and 13 pharmacies.

The network of private health care organisations contributes to the improvement of health care of the population in the Republic of Macedonia, in terms of quality and coverage.

10. CHILDREN'S PROTECTION

The social protection of children is regulated by the Law on Social Protection of Children. The protection is organised in a system, consisting of different measures aimed at providing better life quality for children and financial support to the family, in order to enable it to provide appropriate standard adequate to child's physical, mental, moral and social level of development.

Main activities in this regard are the following: organised stay of children in organisations providing for children and their education; organisation of vacation and recreation for children under 15; financial contributions to children in need for it, and other forms of social protection, specified in the law.

Children's protection is carried out through a network of 180 facilities, with a projected capacity for 25.000 children. The priority in providing social protection is entitled to children of employed parents. The network of facilities in this field is spread in all municipalities in the Republic of Macedonia, in accordance with realistic needs.

The activities in this area are carried out by different professional personnel (4600), including: nurses, governess, medical personnel, teachers, pedagogues, psychologists, social workers, etc.).

Children's and young people's vacation and recreation is carried out through organised stay in summer and winter resorts, aimed at health improvement, satisfying their need for entertainment, nursing positive attitude towards natural environment values and properties created by man. These activities are exercised in 26 facilities with a capacity of 6.235 beds. 21 of these facilities are located on mountains and 5 on lake shores. The percentage of coverage is 21%, including children and young people between 6 - 15.

Financial support to children in need for it is provided through separate financial contribution for newly borne babies and students up to 26, provided they are regular students. The amounts for this purpose are specified in the appropriate annual programme.

In future, the approach to this complex issue, namely children's and young people's social protection, will be improved by increasing their rights in accordance with the social and economic development.

11 SOCIAL WELFARE

According to the Law on Social Welfare, apart from other rights, beneficiaries of social welfare enjoy the right to be settled in institutions for social protection or in other families.

The right to be settled in a social institution or in an other family is entitled to beneficiaries of social welfare who lack appropriate living conditions with their own family or for other reasons need to be settled in social institutions or other family, and no other form of welfare protection is applicable.

According to the Law provisions, the right to be settled in institution or in other family is entitled to: minor children lacking their parents guardianship; self-supporting mothers in pregnancy one month before child's birth and three months afterwards; persons with physical or psychological impediments, with no possibility to rehabilitate.

With reference to the need for protecting certain social categories, the Republic of Macedonia has established institutions for beneficiaries of social welfare, such as:

1. There are two institutions for parentless children and children lacking their parents guardianship: Infants' and Children's Home in Bitola and Children's Home "11 Oktomvri" in Skopje. The Home in Bitola provides shelter for children from 1 to 3 years of age (though they tolerate children to 4). The same Home offers shelter for self-supported mothers, too. The Home in Skopje provides for parentless children and children lacking their parents guardianship, being at age between 4-18.
2. Homes for the aged are the following:
 - Home for the Aged "13 Noemvri" - Skopje
 - Home for the Aged "Sue Rojder" - Bitola
 - Home for the Aged "Kiro Krsteni-Platnik" - Prilep
 - Home for the Aged "Zafir Sajto" - Kumanovo
3. Institutions providing for persons with physical and psychological impediments are the following:
 - Specialised Institute in Demir Kapija, protecting persons with difficult and severe psychological impediments, i.e. persons with different and often combined severe damages;
 - Institute for Rehabilitation of Children and Young People in Skopje, providing for children and young people with mild and severe psychological impediments;
 - Institute for Persons with Physical Handicaps in Banja Bansko, near Strumica, providing for persons with physical handicaps;
 - Institute for Education of Children with Hearing Impediments "Koco Racin" in Bitola, providing for completely and partially deaf children of an age up to 14 (for primary education completion);
 - Centre for Professional Rehabilitation of Young People with Hearing Impediments "Partenie Zografski" in Skopje; and

- Institute for Rehabilitation of Children and Young People with Sight Impediments "Dimitar Vlahov" on Skopje.
4. Institutions for minor children facing social and educational difficulties and neglected children are:
- Institute for Settlement, Correction and Education "25 Maj" in Skopje, providing for children aged to 14.
 - Institute for Settlement and Education "Ranka Milanovic" in Skopje, providing for neglected children between 14 and 18 years of age.
5. Apart from the listed institutions providing for beneficiaries of certain rights to social welfare, there are 30 centres for social welfare, located in cities in the Republic of Macedonia, employing different professional profiles, providing professional, psychological, social and other services to the citizens in need of social welfare.

There is also a Republican Institute for Social Activity Improvement, located in Skopje, functioning as a professional institution, responsible for social cases and problems studying and providing support to the institutions performing social welfare protection.

6. Institutions (camps) providing shelter for the refugees or persons protected for humanitarian reasons from Bosnia and Herzegovina and other risky areas of former Yugoslavia, because of the war.

There are no buildings constructed specifically for sheltering of refugees and persons protected for humanitarian reasons in the Republic of Macedonia; for this purpose, buildings of children's recreational hostels have been used, thus preventing children of Macedonia from enjoying their holidays there.

In the past period, 7 institutions had been engaged in the activities concerning the housing of refugees. At present, the following institutions are involved in this activity:

- Children's Hostel of ZTP in Carina, near Resen, providing for refugees from Albania;
- Children's Hostel "Cicino Selo", Saraj, near Skopje;
- Radusha in the village of Radusha, near Skopje; and
- "Katlanovo" near Skopje, providing for persons protected for humanitarian reasons, from Bosnia and Herzegovina and other risky areas of former Yugoslavia.

In order to achieve more efficient use of social welfare institutions and enlarge the coverage of beneficiaries, we need to undertake the following activities:

- Completion of the new building of the Specialised Institute in Demir Kapija, providing for most severely handicapped children. The building started 5 years ago, but due to the lack of financial resources, it is endangered of being ruined, unless intervention is made urgently. The current conditions in which persons with the most severe impediments live in this institution in Demir Kapija, are under standard conditions.

- Building of a facility for sheltering parentless children and young people and those lacking parents guardianship, because, after these persons leave the home "11 Oktomvri", they are not further supported in terms of settlement or employment. The stay in this facility would be of temporary nature, until beneficiaries are settled and employed.
- Rehabilitation of camps presently occupied by refugees and persons protected for humanitarian reasons, because they are in a bad state, due to the long period of use. Additional resources are needed for this purpose.

Handicapped Children

The care for handicapped children is carried out in several segments. It includes: provision of equal conditions and rights for all handicapped children, inclusion of these persons in different activities and accomplishment the rights to a social welfare, education, enabling for employment, etc. In the framework of settlements planning, it is important to point out that appropriate conditions for access of these persons to relevant buildings are provided, especially in urban settlements. For this purpose, we incorporate the provisions of Standard Rules for a Provision of Equal Rights for Handicapped Persons (adopted by the UN General Assembly, at its 48th session, held on December 20, 1993). Apart from the activities aimed at public awareness increase with reference to the handicapped persons' needs, medical care, providing access to educational and employment opportunities, social welfare, culture, sport and recreation, we pay significant attention to the aspect of accessibility to physical environment (rule No.), that is directly linked with urban environmental aspects. In order to apply the rules on accessibility, the Law on Physical and Urban Planning regulates the manner of planning that provides for high degree of accessibility to buildings and public premises, by applying measures for elimination of obstacles in the space of urban and other settlements, at the level of General and Detailed Urban Plan. Moreover, the implementation of planned measures aimed at accessibility provision to the physical environment, is accompanied by regular control of the application of standards specified in the projected documentation, in the process of plans development, as well as in the course of buildings' and other items construction. Thus, the process of planning and implementation of plans incorporates all relevant aspects needed for provision and improvement of access by handicapped persons to different segments of urban settlements.

With reference to activities co-ordination, the Government of the Republic of Macedonia established a National Co-ordination Body, involving representatives of different relevant sectors, with a task to co-ordinate the activities by which handicapped persons will enjoy equal rights and will be included in all areas of social life.

In the coming period, activities aimed at handicapped persons' involvement in everyday social life should be intensified.

12. HOUSING

Housing, as a dominant contents of human settlements, is the basic segment of the organisational structure of human settlements and essential need of man and his family. This fact supports the importance of housing and home, as a substantial cell of the system of human settlements. The level of human settlements' development is the main precondition for the level of quality of human life in general.

Housing concentration takes place in human settlements of urban and rural nature. Rural settlements apply generally sustainable development practices adapted to the needs of natural environment.

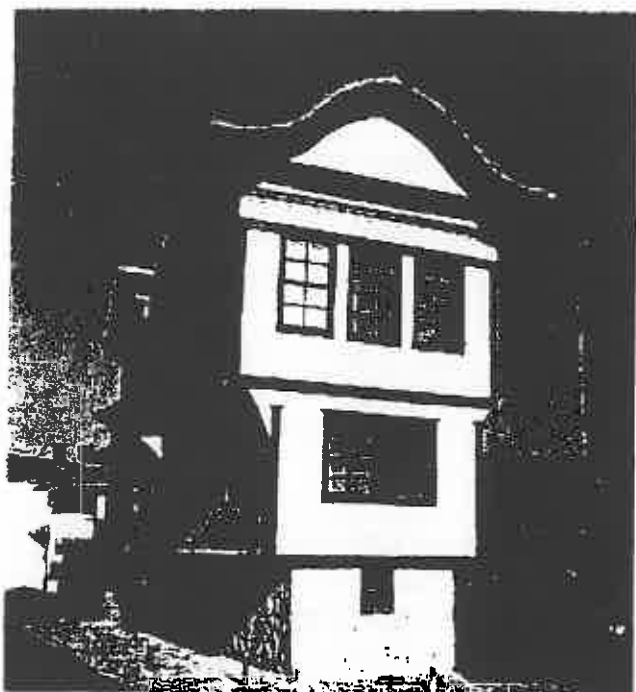
In the case of urban settlements, housing areas expand with greater intensity, occupying areas around urban suburbs, thus spreading their urban tissue. Urban environment is also affected by the pressure made by rural areas, through migration processes aimed at better living conditions acquisition, employment and educational objectives, higher level of services quality, communal development and similar advantages. These circumstances of intensive spatial development that is not accompanied by appropriate communal development, bring about negative effects in terms of life quality declining (contrary to urban plans provisions, some urban settlements lack appropriate facilities and are unable to meet basic requirements; there is a need of additional resources for transformation of substandard settlements into settlements of appropriate living standards level).

The housing, as a part of urban area specified in urban plans of the Republic of Macedonia (25785 hectares) currently covers a territory of 11819 hectares, 8245 of which represent individual housing, 1938 hectares collective and 1636 hectares combined housing.

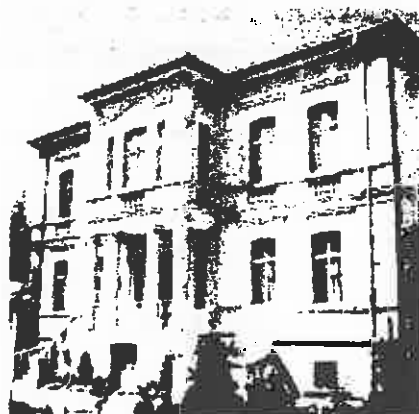
The treatment of housing is determined by urban plans adopted for all urban settlements, as well as in 363 detailed urban plans covering parts of urban suburbs. The treatment of housing aspect is also regulated in 31 general urban plans of rural settlements, 91 detailed urban plans and urban documentation for 799 rural settlements.

General urban plans provide for basic zoning of the housing area, containing provisions by which components are organised in the framework of specified housing zones. Detailed urban plans provide for detailed analysis of components of housing zones, containing building sites marked with street and building lines; the main purpose of this manner of planning is to provide opportunities for creative solutions defining in the process of structures and housing groups planning. Documentation of rural settlements contains conditions of building with reference to housing structures, in accordance with specific nature of rural settlement and tradition.

The number of housing units in the Republic of Macedonia, by the end of 1995, was 570.120., with an approximate average apartment size of 68 square meters. As an illustration of development rate in this regard, we shall compare data from different periods: in 1971, the number of housing units in the Republic of Macedonia was 321.806, with an approximate average apartment size of 53,6 square meters. In 1988, the number of housing units was 519.585, covering 35.579.940 square meters of net dwelling



Mammoth



Architecture



area, representing an increase of 60% compared to the state in 1971, or the number of apartments increased for 197.779 units.

In 1988, 78.898 housing units or 15% of apartments (6.892.532 square meters of net floor apartments) were socially-owned, while the remaining 85% were privately owned.

In the period between 1990-1994, the number of built housing units was 35.552, 5,248 of which (14.7%) were socially-owned and 30.304 (85.3%) privately owned apartments.

The dynamics of apartments building in the period from 1989 to 1994 is shown on the following Table:

year	1989	1990	1991	1992	1993	1994
socially-owned	2722	1912	1218	794	868	456
privately owned	8142	8277	6319	5789	5598	4321

With reference to an average net floor apartment size per resident, in 1971 it was 10.5, increasing to 17.0 square meters in 1988. In rural settlements, average size of a net floor apartment is 72 square meters. The average number of residents per apartment in 1971 was 5.1, while in 1988 it was 4.0 residents per apartment.

In 1985, 57% of the housing fund had completed installations (in 1971 this percentage was 34%).

In 1988, 60% of the housing fund was placed in urban settlements (in 1971, this percentage was 53%).

Concerning the structure of apartments, in 1988 two-room and three-room apartments were predominant (34% of apartments were two-room, and 30% three-room, 24% four-room and 12% one room apartments). Two-room apartments are predominant in urban settlements (37%), while four-room and over apartments are predominant in rural settlements (31%).

Regarding the housing type, rural settlements are characterised with individual houses with yards and larger housing space, while urban settlements are characterised with apartment houses, in which flats are placed in collective buildings, with higher level of communal development (installations, telephone connections, central heating, etc.). In rural settlements, there are cases of houses desertion, due to migration processes on the relation rural-urban areas, as well as substandard structures building in urban settlements' suburbs, which lack communal infrastructure and appropriate living conditions.

Taking into account the expected migrations reduction, as a result of rural settlements development, future activities should be directed towards living conditions improvement, especially in urban suburbs, by applying appropriate urban rehabilitation measures incorporated in urban plans, according to the new legislation on spatial and urban planning in the Republic of Macedonia.

PROCESS OF PRIVATISATION

-housing and business premises-

The privatisation of socially owned apartments was initiated by the adoption of relevant legislation. It was particularly intensified in the course of 1992. By the end of 1991, 2566 socially-owned apartments were privatised; by the end of 1992, 309 apartments owned by the state and 9.082 apartments owned by different enterprises, were privatised. Since 1993, 25.000 apartments owned by the state and 9.000 apartments owned by enterprises, have been privatised.

The adoption of relevant legislation in 1994, opened the process of privatisation of business premises. By the end of September 1995, 296 business units, or 20.544 square meters of business premises were privatised.

In the course of the last several years, there have been more dynamic processes of private initiatives in the domain of urban management, through old buildings' owners involvement and construction of new buildings by private enterprises. This contributed significantly to the urban plan implementation and housing rehabilitation through upgrading and enlarging the existing structures.

With reference to apartments' price, the market price depends on many factors, the main of which is the location of the building. The approximate average price of a square meter of apartment amounts between 900 to 1000 DEM. The taxes payable to for the purpose of building site arrangement, i.e. provision of necessary installations for the site, depend on the real costs of given location. It is approximately 25% of the price of construction or about 150 DEM/square metres of net floor apartment. The price of Business premises depends on many factors. Basically, it is higher for 200% compared to the price of apartments.

In future, the process of housing planning should take into account the quality components of housing improvement, which will contribute to quality of life improvement. To this end, we need to implement urban rehabilitation measures and communal improvements in housing areas, structures renewal, as well as improvement of public premises within housing areas.

SECTION 2

NATIONAL ACTION PLAN

2.1. STRATEGY AND MEASURES SUSTAINABLE DEVELOPMENT

Sustainable human settlements development and spatial development in general will be a permanent scope of activities in future. It will also be the basic commitment in the process of planning and implementation of planned solutions. To this end, the involvement of governmental, non-governmental and local organs is essential. Namely, all these subjects need to unite their efforts in order to achieve sustainable development.

The completion of the process of legislative and institutional arrangement in the context of economic system transformation and reform, and particularly the enrollment in international financial institutions, create preconditions for activating economic entities in the new ambiance and ceasing of crisis and recessive trends.

The change of ownership structure will provide for efficiency and competitiveness of modern management and entrepreneurship promotion, more efficient economic structure, based, first of all, on small and medium size enterprises.

The main features of the atmosphere in which the concept of development is planned to be implemented, are: market conditions of operation; economy open for co-operation; full independence of enterprises; private ownership of the capital and macro-economic policy supporting development processes.

Key processes, by means of which the development concept is planned to be implemented, are the revival and restructuring of economy, in terms of ownership, organization and production. Restructuring will be carried out by modifying the existing technological processes and introducing new selection of old products and services. introducing completely new products and services, and, in a long-term, changing the branch structure of economy in general.

In order to achieve sustainable development, it is necessary to:

- use the resources in accordance with the needs of future generations. particularly resources which can not be renewed;
- undertake appropriate measures aimed at nature protection, as an environment of human settlements;
- develop the process of efficient human settlements management as a way of living quality improvement;
- develop more efficient organization of health, educational, cultural and social systems;
- develop local communities in accordance with local circumstances and possibilities;
- conserve the natural heritage in a proper manner.

The issue of sustainable development requires that all actors, involved in the process of planning, adopt global, national approach, with a long-term perspective and in accordance with local circumstances and actions.

An important segment in this regard is the process of economic transition, which is directly connected with the process of human settlements development. The key activity in this context is privatization acceleration, leading to deep changes in the ownership structure and influencing directly urban areas and settlements in general.

The process of privatisation and economy transformation from central into market one, will be accompanied with all necessary performances of a market economy, such as: private sector involvement, financial activity, rehabilitation of financial trends, controlled inflation, rehabilitated monetary system, appropriate banking institutions, market mechanisms functioning, strengthened investment activities, etc.

The process of public investments is very important for the quality of life improvement in human settlements.

2.2. PHYSICAL PLAN AND URBAN PLANS

In 1995, THE NEW PHYSICAL PLAN OF THE REPUBLIC OF MACEDONIA was initiated. It was considered as a strategic document, specifying the basic planning commitments and solutions aimed at arranging and proper use of the territory of the Republic of Macedonia.

The Physical Plan incorporates strategic determinations with reference to space and human settlements arrangement, such as: land allocation; physical distribution of economic and non economic facilities; transportation and other infrastructure; environment and nature protection, etc. It is a strategy for space development through a system of planned activities. This strategy, or the Physical Plan of the Republic of Macedonia will incorporate all the relevant factors of space development and spatial opportunities, by applying optimal solutions with reference to human settlements development in circumstances of sustainable development.

The Physical Plan will specify the manner of land use, especially in environmentally sensitive areas, tourist areas or settlements with high population growth rate, in correlation with development policy and ownership transformation. The Plan will dictate the sustainable use of natural resources; organization of energy sustainable structures; application of technologies with closed cycles; urban models with maximal functioning of technical and social infrastructures; maximal conservation of cultivated land by stimulating settlements development on higher terrain and fragile land use for this purpose; environment improvement and nature conservation. As a multi-disciplinary discipline, the Physical Plan development requires reviewing of different variations and scenarios of space organization, resulting in a synthetic approach towards space arrangement and its sustainable development.

According to the Law on Physical and Urban Planning, there are several types of urban plans:

- General Urban Plan for a settlement, providing for global purpose and organization of the settlement, with appropriate zoning;
- Detailed Urban Plan, developing organization and arrangement of parts of a settlement (urban units - modules), containing details on urban matrix with constituents of urban life. The law provides for creative activity by investors and architects in the process of architectural creation, by determining the purpose of the site containing construction land allocation, street and construction lines, as well as maximal height of the building.
- Urban Documentation of a settlement in a municipality, that is a plan adopted with reference to rural settlements, containing items appropriate to organizational needs of rural settlements.

In the framework of the continuous process of spatial development planning, the law imposes an obligation for a permanent reviewing of plan's documentation in order to adjust it to specific needs, i.e. local conditions.

Thus, the obligation to review the Physical Plan specifies a period of 15 years for that task, the General Plan should be reviewed every 10 years and Detailed Plans every 5 years. So, reviews take place in the course of middle-term periods, thus adjusting the plans to specific sites' needs.

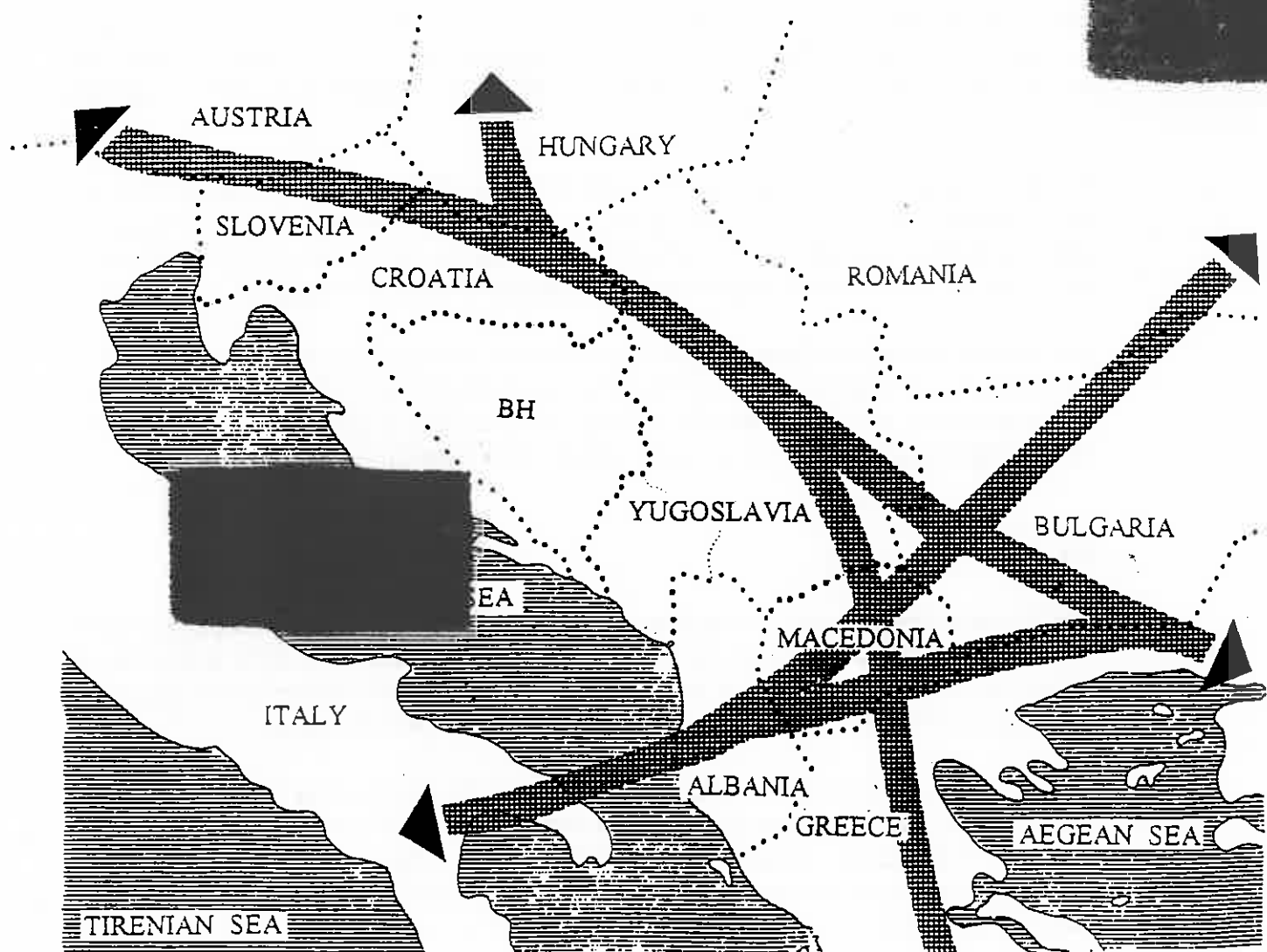
By the year of 2000, planning activities in the Republic of Macedonia will be intensive and comprehensive, in terms of spatial planning of human settlements and their parts, by applying modern methods of urban rehabilitation measures and implementing the principles of sustainable development, respecting natural features of each site separately.

The development of the Physical Plan of the Republic of Macedonia will also provide for a presentation of strategy of spatial development and arrangement of the territory of the state, in circumstances of market oriented economy and sustainable development, aimed at life quality improvement in accordance with optimal spatial conditions.

2.3. HOUSING

Taking into account the state of housing, including all aspects of the basic cell of the family - the home, the model of satisfying housing needs in urban and rural areas is applied. In doing this, the main intention is to retain rural population in rural settlements, by improving the quality of life and emphasizing advantages of closeness with the nature.

In urban areas, the main accent of housing will be placed on improving living conditions in urban suburbs, by communal arrangements and system of urban rehabilitation measures, such as: water supply infrastructure, central heating, energy supply, thermal isolation, seismic strengthening and similar activities. These measures are expected to contribute to more secure and sound buildings and settlements development.



In order to maintain the housing construction dynamics, in circumstances of rational land use, we shall apply the model of extension and super structure construction on existing buildings, in accordance with family development needs. This provides new housing units in arranged sites at low price.

This way of new housing units providing is particularly acceptable in urban suburbs which have buildings suitable for super structuring. By reshaping and structures redesigning, we shall obtain buildings with favorable quality in terms of energy (appropriate isolation level), with architectural solutions resulting from modern trends, as well as from traditional messages. There are deep construction roots on Macedonian territory, generated through centuries of dynamic Macedonian relief.

Considering the data on housing units, the main accent of future construction activities will be placed on individual housing construction, with market oriented housing sector, with an annual housing production of about 6000 to 8000 housing units, with a maximal infrastructure arrangement of sites and buildings. The emphasize will also be placed on the quality aspect of housing, which will contribute to the general improvement of life quality.

All the activities in the area of housing are aimed at providing a dissent home for all citizens, in which sound people will grow. Dissent surrounding and positive spatial solutions stimulate optimistic behavior within living environment.

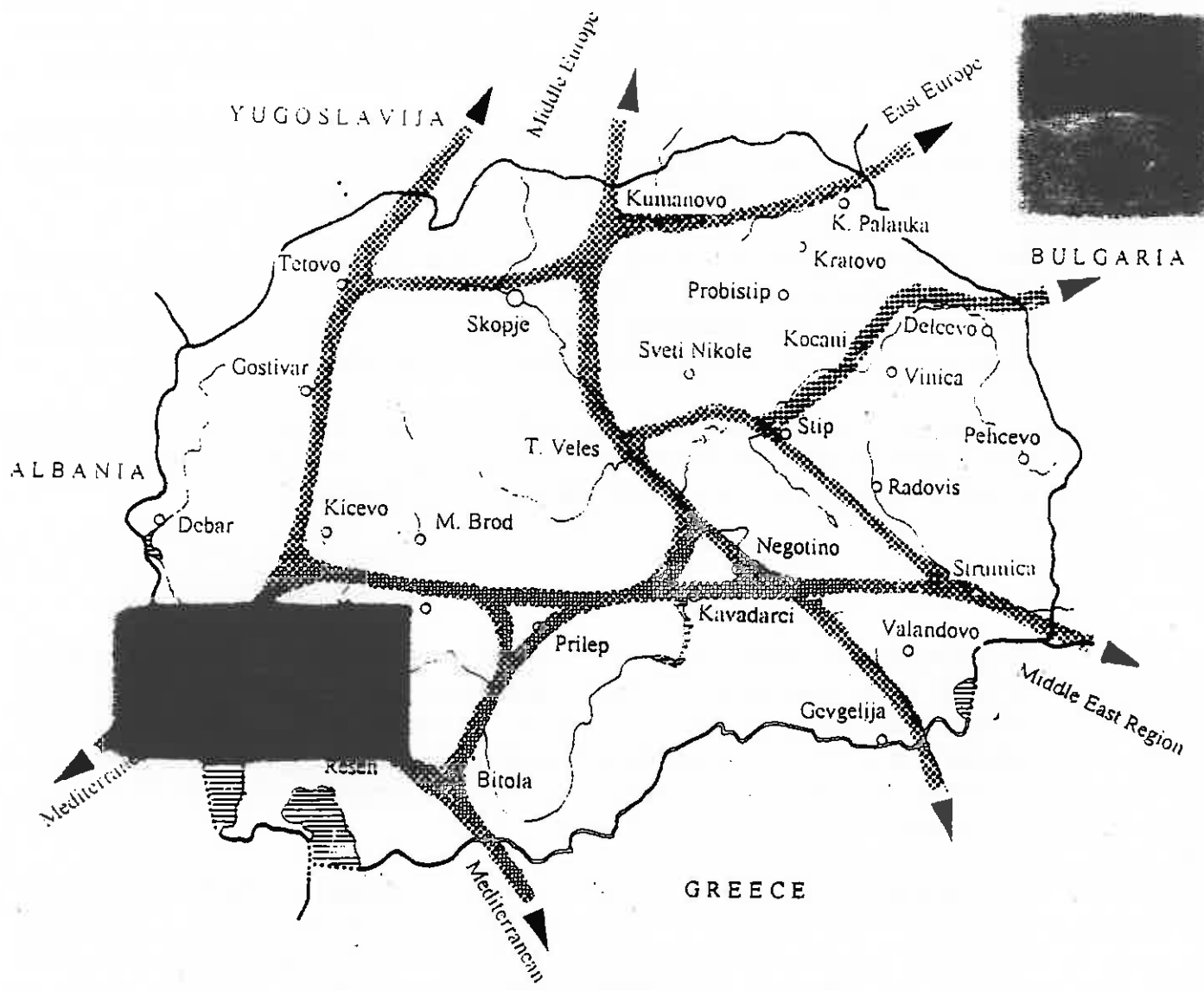
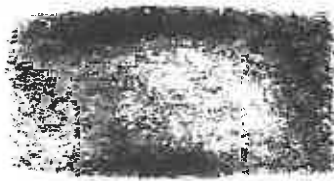
With reference to temporary housing, caused by certain external factors, such as natural or technological disasters, hotel facilities, located in different parts of the Country, can be used. Also, certain buildings in rural settlements, especially deserted ones, can be used for the same purpose, i.e. in circumstances of temporary evacuation.

The weekend houses, organized in a system of weekend settlements, located in tourist resorts and near urban settlements, can also be efficiently used in circumstances of natural or technological disasters, or in war or other irregular circumstances.

2.4. INVESTMENTS

The importance of investments in public sector is connected with the general development of urban areas, particularly in terms of appropriate communication and transportation infrastructure, connecting different settlements. The basic infrastructure development is a precondition for a better communication among people on local, regional and national level. In addition, international communication network is an important precondition, providing for cooperation within international relations.

In the period by 1998, the total investment amount is estimated to US\$1133 million. It is also estimated that US\$595 of the total investment resources can be provided by domestic sources (for e.g.: 326 million dollars from the Budget of the Republic of Macedonia); it is expected that additional 475 million dollars are provided by international financial institutions and 62 million \$ by donors



The Programme on Public Investments in the Republic of Macedonia envisages projects, classified in three groups, on the basis of the schedule of their implementation, with a total value of 2603 million US\$. These groups of investments are:

1. Short-term (urgent) projects in the area of energy, traffic, water economy, non economic infrastructure and environment, with total estimated value of 491,6 million US\$;
2. Medium-term infrastructure projects that could be implemented by the year of 2000, with a total estimated value of 1076,4 million US\$;
3. Long-term infrastructure projects that could be implemented by the year of 2000, with a total estimated value of 1095,7 million US\$.

In 1996, we shall continue with the construction of the railway towards Bulgaria, regarded as one of the most important investments. This railway line is a part of East-West Corridor, i.e. Corridor No. 8 - Duras-Skopje-Varna. This Corridor includes road, railroad and communication networks.

The amount of resources estimated for the completion of the Physical Plan of the Republic of Macedonia (3 years) is 7,5 million DEM.

According to the schedule, in 1996, the Gas Pipe-Line System Deve Bair-Skopje will be completed.

It is also planned to eliminate narrow bottle-necks on routs towards the Republic of Albania, as part of East-West Corridor. This will be accomplished by the completion of highway sections Tetovo-Gostivar, as well road section Psaca-Kriva Palanka, highway section Hipodrom-Miladinovci, and other sections. It is also planned to continue with the construction of the Hydro-Power Plant "Kozjak", as well as the construction of multy-purpose dams "Lisice" and "Zletovica".

In the framework of the Project titled "Integral Development of Vardar River Valley", construction of 12 hydro-power plants on Vardar River is envisaged, as well as 2 dams-hydropower plants each on Treska and Crna Rivers. Three projects have already been prepared (initial and master plans completed), located near Titov Veles, Gradec and Kozjak. Other projects are in a stage of preliminary studies.

Generally speaking, public investments in the Republic of Macedonia refer to short, medium and long-term projects in the following areas: energy, road network, railroad network, PTT network, air navigation, irrigation, water supply, environment and non economic infrastructure.

2.5. LOCAL SELF-GOVERNMENT

The role of local self-government in the process of human settlements organization is essential. The Constitution of the Republic of Macedonia, in Article 8, specifies that local self-government is one of the fundamental values of the constitutional order of the Republic of Macedonia. There is a separate Chapter on local self-government in the Constitution.

Taking into account the position of the local self-government in the process of social life, the preparation of a new Law on Territorial Division of the Republic of Macedonia is underway. This Law will increase the number of municipalities in the Republic of Macedonia, thus increasing the efficiency of local self-government's activities, in accordance with the needs of citizens.

The idea of increasing the number of municipalities as geographical, economic and spatial entities is motivated by the need for more efficient implementation of different forms of activities in the framework of works of local importance. The organisation of settlements has a significant role in this context. In accordance with the legislation, the adoption of urban plans regulating spatial development of human settlements is responsibility of local self-governments. The arrangement of construction land, as well as communal activities reflecting the level of communal hygiene, are also responsibilities of local self-government.

As a result of the above stated, mechanisms of local self-government should be more precisely defined and more efficiently used in future. The basic position of local authorities should contribute to more efficient and more dynamic activities conducting, in the framework of economic and social reforms.

As a follow-up to the adoption of a new Law on Territorial Division of the Republic of Macedonia, new local elections will be conducted on the basis of new territorial division, to result in more efficient acting of local self-governments, in compliance with European standards and principals of organisation.

The efficiency will be greater in all domains, including human settlements, as entities directly connected with the activities of local self-government.

2.6. ENVIRONMENT

The strategy of environment protection is based on the principle of environmental components improvement and permanent environmental quality increasing. The concept of environment protection is a segment of the complex system of human settlements' space planning and arrangement.

The development of the National Environmental Action Plan in the Republic of Macedonia is in its final stage. This Action Plan determines the strategy with prioritised activities envisaged for short and long term, which would involve various entities in environmental issues' addressing. The Plan identifies the existing problems in separate areas and proposes solutions to those problems, thus creating priority activities list accompanied by financial indicators for the proposed projects. The main emphasis is placed on the conservation of valuable items, such as natural rarities and even whole areas suitable for healthy food

production; solutions are proposed with reference to polluted areas, i.e. measures aimed at state improvement. These "dark" locations require urgent interventions, i.e. planned activities for pollution decreasing or eliminating, that will contribute to the general

improvement of the quality of citizens' lives in the said areas. To this end, the involvement and support of NGOs and local authorities is of essential importance.

Apart from legislative and institutional recommendations, the National Environmental Action Plan proposes specific activities for the coming period. One of the priority activities will be a monitoring system establishment with reference to all environmental components, that is going to collect detailed data on environment, to be used by different institutions and communicated to the public.

Basically, future activities will refer to pollution declining or eliminating, by controlling the existing sources of pollution and preventing new such sources. Examples for such sources of pollution treated in the National Environmental Action Plan are the following: Lead and Zinc Smelting Plant in Titov Veles; Hydropower Plant "Jugohrom"; OHIS-Skopje; and other industrial facilities. There are also activities proposed for the natural lakes conservation, particularly Lake Ohrid, for the conservation of which the waste water collection system needs to be completed and other measures undertaken.

In order to resolve the issue of the communal and industrial solid waste, separate studies preparation is envisaged. These studies will propose projects for modern disposal sites construction, especially for big urban settlements.

Activities proposed under the National Environmental Action Plan need to be followed by appropriate financial support; through suitable financial mechanisms.

The Law on Environment, which is expected to be adopted in the course of 1996, provides for stimulative mechanisms for projects connected with environment protection.

2.7. SOCIAL WELFARE

The integral system of social welfare is based on activities aimed at social welfare improvement, in circumstances of transitional changes taking place in the social, economic, political and spatial systems.

Private initiatives should be supported by legal, taxation and other facilitating opportunities, in order to provide efficient establishment of new enterprises. This will decline the number of unemployed persons and accelerate the process of economic development. Higher level of development, on the other side, will provide conditions for more efficient social welfare for the population.

SECTION 3

INTERNATIONAL COOPERATION AND SUPPORT

Activities proposed under the Strategy of the National Action Plan for the medium and long term, require significant financial resources. These resources can not fully be provided from domestic sources.

There is also an evident need for technical assistance, to support the efforts in addressing specific issues of the wide spectrum of issues linked with human settlements. So, the projects envisaged in the National Action Plan require international technical assistance, as well as financial support in order to be successfully implemented. We intend to provide this assistance through bilateral and multilateral contacts.

The existing construction industry is capable and experienced, so that it can be used for carrying out various construction projects in terms of professional and mechanisation equipment, especially for infrastructure projects implementation. However, we still need appropriate financial assistance for this purpose.

Construction enterprises employ 38000 persons in total, 70% of which are employed in four major construction companies.

Foreign support is needed for public, as well as private investments in development projects. Businessmen from Macedonia show great interest in using foreign financial support in various forms. To illustrate this, there are 650 projects completed and waiting for foreign support. But, due to the limited balance of payments opportunities, direct foreign investments, as joint ventures or independent investments, are preferred as a way of capital accumulation.

In the framework of international cooperation aimed at financial support provision, priority activities refer to the basic infrastructure completion in the Country, including transportation, water supply and environment. More specifically, projects for which international support is needed, belong to the following areas:

- energy infrastructure (long distances electricity systems, gas pipe-line, hydropower plants, especially in Vardar River Valley;
- transportation infrastructure, regarding East-West Corridor completion in terms of road, railroad and communication network;
- air navigation (navigational systems, rehabilitation works, etc.);
- communication infrastructure (telecommunications);
- water supply infrastructure, irrigation systems, etc.

- environment protection, particularly projects proposed under the National Environmental Action Plan;
- Completion of the Physical Plan of the Republic of Macedonia, referring to the spatial development of human settlements; it will create basis for specific projects on concrete urban rehabilitation measures, aimed at urban and rural settlements improvement.

There is a wide spectrum of possibilities for international cooperation on projects connected with the human settlements' development. Priority areas and projects of mutual interest could be determined through direct contacts.

The international cooperation could also touch the issue of technical assistance, which could be extremely useful in a form of our professionals' training in the area of urban economy and management, electronics and other areas in which countries with long tradition in market economy are more experienced. Specific forms of cooperation would be negotiated and agreed upon in direct communication.

The Republic of Macedonia acknowledges the importance of global approach towards human settlements' development, in order to provide decent shelter for each human being on Earth.

We owe it to future generations that are to inherit it from us.

The Republic of Macedonia is committed to take an active part in the international effort for sustainable human settlements development, with all relevant aspects in accordance with international trends.

