Thematic
analysis/diagnosis:
**Balanced Regional
development**

Executive Summary

Balanced regional development provides a special multidisciplinary approach whose purpose is to boost the development potentials of the regions. Balanced regional development has the potential to create synergy and ensure rational and sustainable use of regional resources, thus ensuring greater well-being and better living standards of the residents of all planning regions in the country. Balanced regional development as an area focuses on the regional aspect in treating:

- Demographics, population and migration at regional level;
- Economic potentials for regional development;
- Business and entrepreneurship in the regions;
- Economic, fiscal capacity and public infrastructure in the regions;
- Labor force and investment in human capital at regional level;
- Regional infrastructure - (transport, telecommunication and energy infrastructure);
- Agriculture and rural regional development;
- Environment and urban planning in the regions;
- Social development in the regions,
- Policies for Balanced Regional Development and Quality of Life.

The importance of Balanced Regional Development stems from the shortcomings of the monocentric development model, which implies large disparities between the Skopje region and other planning regions in the country. Providing conditions for long-term sustainable development and well-being of all citizens in the country is inseparable from the creation of programs/policies aimed at reducing regional disparities and establishing balanced regional development.

The beginning presents an elaboration of the key goals, policies and directions set out in the strategic documents, which in important or special sections address issues related to balanced regional development. To this end, the analysis below analyzes the Law on Balanced Regional Development, Decision on detailed criteria and indicators for determining the level of development of the planning regions, Strategy for Regional Development of the Republic of North Macedonia 2021-2031, Program for implementation of the Strategy for Regional Development of Republic of North Macedonia for the period 2021-2024, Programs for development of the planning regions, Law on Local Self-Government, Law on Territorial Organization of Local Self-Government in the Republic of Macedonia, Law on Inter-Municipal Cooperation, Law on Financing of Local Self-Government Units, Program for Sustainable Local Development and Decentralization of the Republic of Macedonia 2021-2026, Fiscal Strategy of North Macedonia for 2021-2023 and the Industrial Strategy of the Republic of North Macedonia 2018-2027.

In the context of these strategic documents, we analyze the compliance of the strategic documents in this thematic area, while also identifying the key challenges faced so far in relation to the implementation of these key documents.

It was especially important to identify the key institutions that bear the dominant part of the policies in the domain of balanced regional development. Within the process of stimulating balanced regional development, there are several institutions that play a significant role and we give an overview of the institutions that are directly involved and appointed as policy makers for balanced regional development.

The thematic area of Balanced regional development overlaps and covers a number of subareas that are treated in separate thematic analyses. This document presents the key indicators for monitoring balanced regional development.

The following indicators were subject to processing: Total number of population in the planning region, Population density (indicates the number of inhabitants living in a certain territory and expressed in people/km²) by planning regions, Number of immigrants in the planning region, Number of emigrated population from the planning region, GDP per capita of the planning region, Exports from the planning region, Imports into the planning region, Number of active business entities in the planning region, Number of organizations for support of entrepreneurship in the planning region, Total public investments per capita by individual planning regions, Average paid net salary per employee (in denars) in the planning region, Activity rate (%) in the planning region, Unemployment rate (%) in the planning region, Municipal waste generated (in thousands of tons), Local road network (km') in the planning region, Installed capacities for production of electricity, Consumption of electricity in the industrial sector, Arable agricultural area, Collected municipal waste (in thousands of tons), Households with social financial assistance for persons aged 18 and over (per 1000 population).

The analysis was supplemented with a report on potential treatment through special indicators on interdisciplinary issues – social inclusion; good governance; disaster risk management and resilience; digitalization and innovation; gender perspective.