

KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT

2025

NORTH MACEDONIA

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ABOUT THIS PAPER

Each year, the ETF monitors developments in education, skills, and employment in its partner countries to support informed decision-making by identifying trends, opportunities, and challenges. The results are reported by country, across countries, and by selected theme.

The present document is the country-level report (country fiche) for 2025 for North Macedonia. Like all ETF monitoring, it draws on multiple sources of evidence and is the culmination of a year-long process of data collection, analysis, and consultations. One key source of evidence is the ETF KIESE database, which provides internationally comparable indicators on areas such as country demography, economy, education, and employment. The indicators are sourced mainly from international repositories, including UNESCO, the World Bank, the OECD, Eurostat, and the ILO, while some come directly from partner countries, for instance, from their labour force surveys¹.

Another source of evidence is the Torino Process, a flagship monitoring initiative of the ETF which compiles system performance indices (SPIs) on the basis of KIESE data and expert surveys. The SPIs combine selected KIESE indicators to track policy and system performance in education and VET in key areas such as access, quality, and system management. Where KIESE data is missing, the SPIs rely on expert surveys which help fill the gaps and contextualise the findings at the stage of analysis. “Performance” in this context refers to the extent to which policies and systems deliver results in these areas². In 2025, the ETF compiled SPIs for a total of 32 areas and sub-areas of performance, including for groups of learners such as youth and adults, males and females, socio-economically disadvantaged young people, and adults with no or low education.

ETF country missions complement these data sources by engaging with key policy stakeholders, gathering qualitative insights on policy developments, recently enacted legislation, and major reform steps. Finally, where necessary, the ETF draws on third-party publications and analytical work to complement gaps in available evidence or to clarify developments that are not fully captured in the ETF monitoring evidence.

The country fiche begins with Chapter 1 – a country profile that describes the demographic and socio-economic conditions in the country. Chapter 2 presents recent policies in education and training, together with the structure of the education system, including adult learning. Chapter 3 provides an overview of employment and labour-market policies and introduces the main strategies, institutions, and programmes. Chapter 4, which is the final chapter, presents the results of policies and arrangements in education and training.

¹ The full selection of KIESE indicators for 2025 can be found here <https://bit.ly/4j6taZW>.

² The subset of KIESE indicators used for the calculation of the Torino Process SPIs in 2025 can be found here: <https://bit.ly/433OR8j>. The full list of questions used in the 2025 round of Torino Process system performance monitoring can be found here: <https://bit.ly/3YUlbXE>. For a full overview of the Torino Process system performance monitoring framework, see <https://bit.ly/47YGA6l>. The methodology for the calculation of the SPIs can be found here: <https://bit.ly/3XJq101>.

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KEY TAKEAWAYS

- **Country profile and developments:** North Macedonia is an EU candidate country in the Western Balkans, with an ageing population of 1.8 million people representing different ethnic groups, including Macedonians (the majority), Albanians (about one fifth), Turks and Roma. The government in charge, formed in 2024, is led by the right-wing VMRO–DPMNE party. While the EU accession process progresses, it continues to experience delays for several reasons.
- **Developments in education and training:** a new legal framework was approved in December 2024-January 2025. It includes the long-awaited law on VET, the law on adult education, the law on the national qualifications framework, the law on textbooks for primary and secondary education, amendments to the law on primary education, the law on education inspection and the law on secondary education. Bylaws are in the process of being adopted, while a rule book on career guidance (CG), occupational standards for CG practitioners and a national career management skills (CMS) framework have already been approved. The VET centre has been renamed as 'Centre for the Development of Vocational Education'. The Ministry of Education and Science has started the process of drafting the new Education Strategy 2026-2030, and there is also a new Adult Education Strategy.
- **Employment and labour market developments:** in 2023, employment among the working-age population declined to 45.3%, despite a drop in unemployment, suggesting lower labour-market participation and possibly the existence of informal employment. Youth unemployment decreased to 29.3%, but the NEET rate rose slightly, to 24.1%, raising concerns about the effectiveness of youth employment and skills development policies, and about worsening labour market opportunities. North Macedonia is continuing to work on reducing the mismatch between education outcomes and labour market needs, particularly where this affects youth and women's employment. The informal economy, limited innovation and digitalisation, and a significant infrastructure investment gap further hinder productivity and competitiveness. Employment-related competences were reallocated to the Ministry of Economy and Labour and the Ministry of Youth, Demography and Social Policy, which retains responsibility for the Youth Guarantee (YG), but has not yet appointed a YG coordinator.
- **Access and completion:** North Macedonia offers broad and gender-balanced access to vocational education, supported by free enrolment, wide territorial coverage and the consistently high share of secondary students choosing VET. Most students who enter IVET complete their programmes, reflecting the presence of structured pathways and opportunities for vertical progression within the system. Programme choices remain gendered, reflecting traditional views of suitable occupations, while recent policies seek to offer learners a wider range of options. Adult participation in learning remains comparatively low, influenced by practical constraints and social norms, even as interest in non-formal learning is strong and targeted measures continue to encourage women's engagement.
- **Quality and relevance of learning:** young learners in initial VET generally have a relatively low level of basic skills, despite long-standing reform efforts and projects targeting reading, mathematics and problem-solving. International assessments and expert feedback indicate that VET students tend to perform below their peers in general education. Gender patterns also shape outcomes: girls generally score higher than boys in basic skill assessments but are underrepresented in practical training in technical fields. Adults generally demonstrate stronger competences than young people, probably reflecting the learning acquired after school, but participation in adult education remains low and the digital gap is still wide. Recent strategies aim to strengthen adult learning, improve digital and green skills, and promote more flexible pathways, including validation and micro-credentials.

- **System management and organisation:** on average, VET in North Macedonia receives relatively generous funding, and this funding translates into improved infrastructure. However, the averages mask significant differences between regions and between individual providers. Limited school autonomy in the use of block-grant financing also hinders efficiency. Donor-funded programmes offset these limitations to some extent by supporting modern equipment and upgraded training facilities. Staffing levels vary widely across vocational schools, and the expansion of dual education has increased demand for specialised teachers, especially in electro-mechanical fields, where low salaries deter qualified professionals. System performance is stronger in the domains of data coverage and quality assurance, while monitoring results are weaker in the areas of school leadership and internationalisation of VET.

1. COUNTRY PROFILE

Table 1.1 Demographic and socio-economic context: key indicators, North Macedonia

Indicator	Value	Year	Source
Total population (in thousands)	1827.8	2023	UN DESA, World Bank
Relative size of youth population (%)	17.5	2023	UN DESA
Population growth rate	-0.2	2023	World Bank, UN DESA
Dependency ratio	52.8	2023	World Bank, UN DESA
Immigrant stock as % of total population	8.3	2024	UN DESA
Emigrant stock as % of total population	29.3	2024	UN DESA
GDP growth rate	2.1	2023	World Bank
GDP per capita (PPP)	24390.5	2023	World Bank
Migrant remittance inflows (USD million) as % of GDP	2.9	2023	World Bank
Inflation rate	9.4	2023	IMF
Poverty headcount ratio (USD 8.30/day)	20.5	2019	World Bank
Gini coefficient (Income inequality)	33.5	2019	World Bank
Human development index (HDI)	0.815	2023	UNDP, World Bank

Source: ETF KIESE database

1.1 Demography

The population of North Macedonia was approximately 1.83 million in 2023. The youth cohort (aged 15–24) accounts for around 17.5%. However, North Macedonia may experience a gradual reduction in student numbers over the medium to long term due to a population decline of -0.2% per year.

The dependency ratio was approximately 53 dependants per 100 working-age adults in 2023. This is moderate by regional standards and remains below levels typically associated with significant social and fiscal challenges internationally.

At the same time, nearly 30% of North Macedonia's nationals lived abroad in 2024 (Table 1.1), which creates a risk of labour shortages and reduces the available pool of skills and talent. On the other hand, immigration is relatively high for the region (8.3%), which may help reduce some of the pressures on the labour market.

1.2 Economy

In 2023, the economy of North Macedonia grew by 2.1% and GDP per capita (PPP) reached around USD 24 400. This is quite high in comparison with other countries in the region and suggests that the country is gradually narrowing the income gap with lower-income EU countries.

Remittances amounted to approximately 2.9% of GDP in 2023, which is a relatively small share compared to other countries in the region. Interestingly, this relatively low inflow contrasts with North Macedonia's sizeable diaspora and suggest that emigrants may have weaker economic ties with their home country, or that their financial transfers home are comparatively limited.

Inflation continues to put pressure on household purchasing power and real incomes. Standing at 9.4% (2023), it poses ongoing challenges for economic policy, especially in terms of protecting vulnerable households. The fact that North Macedonia is experiencing solid economic growth and comparatively high GDP per capita alongside high inflation (Table 1.1) might indicate that the economic benefits are unevenly spread across different groups or sectors, or that there are structural challenges in the economy that prevent growth from translating into more stable prices.

1.3 Income and living standards

In North Macedonia, about one in five people (20.5%) lived below the upper-middle-income poverty line (USD 8.30 per day, PPP) as of 2019. Although this poverty estimate predates the COVID-19 pandemic, subsequent economic growth and pandemic-related support measures may have helped reduce poverty rates somewhat. Nevertheless, persistent cost-of-living pressures driven by high inflation threaten to reverse these gains and could push households closer to economic hardship.

Income inequality, measured by a Gini coefficient of 33.5 (2019), indicates an uneven distribution of economic gains across the population. Although inequality remains below the levels seen in many developing economies, it is clearly higher than in countries within the region that have more equitable income distributions.

North Macedonia recorded a human development index (HDI) of 0.815 in 2023, which places it in the 'high human-development' category and ahead of most countries in the SEET region. This HDI score reflects progress in promoting educational attainment and life expectancy, but it also indicates there is room for improvement, as North Macedonia's HDI performance is still below typical EU levels.

1.4 Recent developments

2025 marks the first complete year in office for the right-wing government elected in June 2024 and the fifth year since the opening of the accession negotiations for the country. While the Prime Minister, Hristijan Mickoski, is confident about the country's chances of accessing the European Union³, the Ministry of Foreign Affairs voiced the growing recognition that EU integration has failed to deliver credibility, security, dignity or prosperity, pointing to the increasing Russian influence in the Western Balkans⁴. A small government reshuffle is expected after the Alliance of Albanians party (Vlen), led by Arban Taravari, left the cabinet in May 2025. Local elections are scheduled for October 2025.

In October 2024, the parliament adopted the National Development Strategy 2024-2044 (Assembly of the Republic of North Macedonia, 2024), which provides a comprehensive roadmap for sustainable development, in line with the 2030 Agenda and the EU accession process. The latter began in 2005 when candidate status was granted, followed by the start of negotiations in 2022 and the successful completion of the screening process in December 2023. Nonetheless, the process is hampered by delays due to various factors: the European Parliament 'notes inconclusive efforts, due to a high level of political polarisation, of ongoing constitutional reforms with a view to including in the constitution citizens living within the state borders holding other identities, such as Bulgarians' (European Parliament, 2025b). The debate is around a constitutional change that would mention Bulgarians among the ethnic minorities who comprise North Macedonia's population. The current Macedonian

³ BTA: North Macedonia PM Confident in EU Path to Accession Negotiations

⁴ North Macedonia warns the EU of growing Russian influence | Euronews

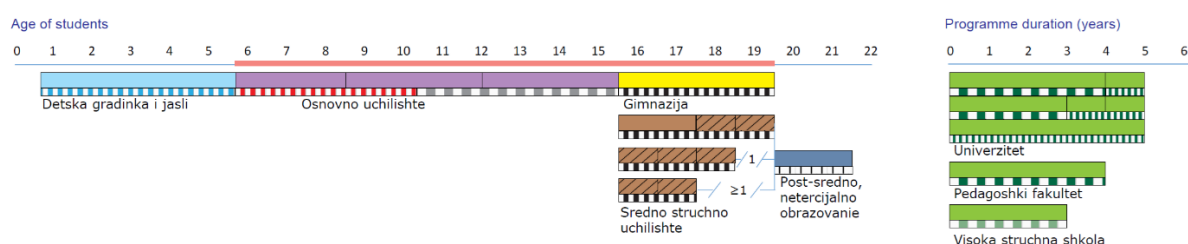
government promises to implement this change after accession to the EU, while the new Bulgarian government (2024) makes it a condition for Skopje's accession to the EU.

2. EDUCATION AND TRAINING: POLICIES AND DEVELOPMENTS

2.1 Structure and levels of education, including VET

This section provides a brief description of how the education system is organised across different levels, including pre-primary, primary, secondary (distinguishing between general and vocational tracks), tertiary and adult learning. It uses the UNESCO ISCED classification and is based on monitoring information collected through the Torino Process expert survey⁵.

Figure 2.1 Structure of the education system: North Macedonia (2025)



Notes: The leaving age for compulsory education may vary from the age of 17 to the age of 19 years and 6 months depending on the type of programme. The lowest leaving age (17) applies to students attending the two-year vocational programme (*strucno osposobuvanje*), while the leaving age of 18 applies to those attending the three-year vocational programme (*strucno obrazovanie za zanimanja*). The highest leaving age of 19 years and 6 months applies to students attending general secondary education (*gimnazisko obrazovanie*) or a four-year vocational education programme (*chetirigodishno struchno obrazovanie*). Source: European Commission/EACEA/Eurydice (2021).

Formal education

Pre-school education in North Macedonia (ISCED 0) is the first formal level in the education system. It covers children from around seven months of age until they enter primary school at the age of six, and it is not compulsory. Providers are mainly public, municipal kindergartens – about 97 % of all centres – although licensed private facilities also operate under the Law on Child Protection.

Compulsory education in North Macedonia is provided free of charge to all children from the age of approximately five-and-a-half to fifteen. Compulsory education spans nine years and is divided into three educational stages: grades one to three (early primary), four to six (middle primary), and seven to nine (lower secondary). Education at this level is offered mainly in public primary schools, including specialised institutions such as music and ballet schools, as well as international primary schools. Compulsory education can only be offered free of charge by public schools – including by municipal secondary schools and state secondary institutions. Pre-school, upper-secondary and all post-secondary levels may be delivered by private providers that meet licensing conditions.

Several primary schools function as resource centres offering tailored support for pupils with disabilities. The teaching methods in these schools are flexible, to allow educators to choose approaches that are suited to the individual needs of learners. North Macedonia adopted the National Standards for Primary Education in March 2021, which are aligned with the key competences for lifelong learning from the European Reference Framework.

Upper secondary education typically covers pupils aged between 15 and 19, although the exact duration varies depending on the chosen educational pathway. VET programmes, in particular, can vary significantly in length, depending on the field of study and occupation. Upper secondary learners have several pathway options: gymnasiums providing general academic education, vocational schools, secondary art schools, and schools specifically designed for students with special

⁵ The full questionnaire can be found here: <https://bit.ly/418jfwC>. In this document, the survey may be referred to interchangeably as the 'monitoring survey', 'expert survey', or 'Torino Process monitoring survey'.

educational needs (SEN). Gymnasiums enrol full-time pupils who have completed primary education, and part-time attendance is permitted under special circumstances. Students completing gymnasium education sit for either the State Matura or School Matura exams. Certain gymnasiums may offer international curricula, such as the International Baccalaureate (IB) Programme, subject to ministerial approval.

Vocational education offers full-time and part-time attendance for pupils who have completed primary education. Vocational programmes in North Macedonia are available as three-year or four-year tracks, alongside specialised vocational courses. Pupils who have not completed primary education may also enrol in vocational programmes lasting up to two years, during which they simultaneously complete the primary education requirements. After finishing a four-year vocational education, pupils sit the State Matura or final examinations, while those completing three-year vocational tracks sit only the final exam. Educational profiles within vocational education span sixteen occupational areas, including construction, healthcare, mechanical engineering, agriculture, electrical engineering, tourism and the arts.

Secondary education in the arts offers a specialisation in fields such as music and ballet. Pupils finishing their studies in secondary arts schools sit either the State Matura or School Matura examinations according to officially approved curricula.

Pupils with special educational needs receive tailored secondary education, with programmes adapted to their individual learning capacities and potential occupational pathways. Depending on their chosen track, these learners complete their secondary education by taking the State Matura or a final examination. North Macedonia has 109 public secondary schools in total, including gymnasiums, vocational schools, combined gymnasium-vocational schools, art schools and SEN-specific schools. Most of these schools are municipal, alongside 15 state-run secondary schools and 17 private institutions.

Graduates from secondary vocational programmes may progress to either post-secondary non-tertiary education or tertiary-level studies, depending on the qualifications they obtain. Post-secondary non-tertiary programmes, lasting between six months and two years, are offered by public and private institutions and provide qualifications such as specialist or master-level credentials, valued up to a maximum of 120 EQVET credits.

Higher education in North Macedonia adheres to the Bologna Process framework and is structured into three cycles: undergraduate studies lasting three to four years, postgraduate studies lasting one to two years, and doctoral studies requiring at least three additional years. Higher education programmes may be academically or vocationally oriented, based on accredited study curricula.

Higher education institutions in North Macedonia may also offer shorter vocational programmes of less than three years' duration, and they can award certificates or qualifications as defined by university statutes or those of independent vocational institutions. By ownership type, higher education providers can be public universities, private-public non-profit institutions or private non-profit institutions, organised as universities, faculties, art academies or independent higher vocational schools, all providing accredited courses across the three higher education cycles.

Adult learning

In 2025, North Macedonia adopted a new Law on Adult Education, introducing provisions for the validation of non-formal and informal learning (VNFIL). Adult education initiatives target various objectives, including completion of compulsory education, vocational training for adults without initial qualifications, requalification opportunities, acquisition of new skills and qualifications, and improving employability through programmes adapted specifically to adult learners' needs and career goals.

Adult education programmes are delivered by a diverse group of entities, which include public and private adult education providers, training centres, employers and social partners, associations or certified individual trainers approved by North Macedonia's Ministry of Education and Science. Publicly recognised adult education programmes include primary and secondary curricula adapted for adult learners, delivered exclusively by verified educational institutions.

In addition to formal adult education programmes, adults in North Macedonia can participate in non-formal educational activities designed to provide targeted skills and knowledge. These programmes are offered by certified educational organisations and institutions, with curricula tailored to the prior education, age, knowledge and abilities of adult learners. Verification and quality assurance of adult learning programmes is managed by the Centre for Adult Education in North Macedonia.

2.2 Strategy and legal framework

Recent legislative reforms have significantly shaped the education and training landscape in North Macedonia. Six laws on education were adopted and published in the Official Gazette between December 2024 and January 2025⁶: the Law on Adult Education, Law on VET, Law on Textbooks, Teaching and Didactic Materials and Law on NQF (see 'References'). In January, the parliament also approved two laws on amendments to existing acts: the Law on Primary Education and the Law on Educational Inspection. Amendments to the Law on Secondary Education were adopted in April 2025, together with further changes to other previously adopted laws. A number of rulebooks have been drawn up and approved in the course of 2025, to enact the approved legal changes⁷.

The Law on the National Qualifications Framework (NQF) governs the revision of qualification standards at least every five years. The new Law on VET introduces state VET Matura exam programmes for graduates of VET schools and formally defines work-based learning (WBL), including mandatory placements and summer practice. It also establishes career counselling and guidance as a functional component of the system. Employers now play a structured role in the Regional VET Centres (RVETCs), contributing to programme development and participating in governance boards.

Key developments brought about by the revised Law on Secondary Education are: the formation of inclusive teams and support systems to ensure access for all students; the introduction of career guidance services, with designated roles for career counsellors and coordinators for practical training; a new model for final secondary school examinations; and, for the first time, student self-organisation and participation in school life are formally recognised.

The current Education Strategy 2018-2025 covers six pillars of education, with objectives focused on increasing pre-school education enrolment, reforming compulsory education programmes to focus on learning outcomes, enhancing quality teaching materials, aligning VET with labour market needs, strengthening teacher competences, and improving management and leadership at various levels.

The MoES coordinated the development of the new Education Strategy 2026–2030, a multi-sectoral initiative involving several donors. The GIZ was entrusted with overall coordination, working in liaison with the ETF to ensure alignment with EU standards and to provide oversight on monitoring and evaluation. The ETF also contributed input on VET, as part of the secondary education chapter drafted by UNDP. UNICEF was responsible for the section on primary education, while the World Bank authored the chapter on higher education. The new strategy should be ready by the end of 2025.

⁶ This document summarises, in English, the content of legal acts originally available only in Macedonian, translated using artificial intelligence.

⁷ Rulebook on the procedure for requesting educational assistance, the method of selection and appointment, and the training programme for educational assistants (5 July 2025).

Rulebook on the procedure for reporting and protecting a student exposed to any form of violence, abuse, or neglect (18 July 2025)

Rulebook on the format and content of the application form for covering the costs of registration fees and travel for up to six students and up to two mentors to participate in one Olympiad (14 May 2025)

Rulebook on the procedure for awarding a one-time prize to a talented and gifted primary school student who participated in an international Olympiad or competition organised for secondary school students and won first, second, or third prize – or a gold, silver, or bronze medal at international Olympiads or competitions (7 July 2025)

Rulebook on the procedure for career counseling and the selection of a career counsellor for students (10 June 2025)

Rulebook on the procedure for monitoring and evaluating the work of teachers and professional associates (30 June 2025)

Normative framework for the educational assistant, describing the competencies and job responsibilities (10 June 2025)

The National Youth Strategy 2023-2027 (Agency for Youth and Sport, 2023) provides a strategic framework setting medium-term goals to empower young people aged 15–29 through inclusive, evidence based youth policies. It defines eight priority areas: participation, information, youth work, education, culture, health, entrepreneurship/pre-employment support, and security/violence. Accordingly, it emphasises removing barriers for young people who have fewer opportunities, fostering digital skills, democratic engagement and well-being. The Strategy includes two action plans with measurable targets, annual governmental reporting and external evaluation. The first one, for 2023-2025, was adopted along with the text of the Strategy (Agency for Youth and Sports, 2023); the second one, for 2026-2027, is being prepared in 2025.

The 2025 Adult Education Law (Law on Adult Education, 2025) introduced significant reforms to enhance the quality, accessibility and relevance of adult learning. It established the legal basis for a national system of validation of non-formal and informal learning (VNFIL). The law also restructured the verification and accreditation process for non-formal education programmes, extending verification validity from three to five years and assigning full responsibility to the AEC, which can now also offer programmes subject to Ministry verification. Regional VET Centres were given expanded roles, including formal and non-formal adult education, VNFIL and business collaboration. Vocational qualifications and micro-credentials were introduced to certify specific skills aligned with labour market needs. A new chapter on quality assurance was added, alongside professional standards and training programmes for adult educators.

The new Adult Education Strategy (Kartunnen, 2025) was developed collaboratively with the AEC, the MoES, the Adult Education Council, and key national stakeholders. It outlines a vision for a future-proof adult learning system through targeted reforms in the VNFIL, the introduction of micro-credentials, the advancement of digital and green skills, and the enhancement of lifelong guidance services. The strategy also introduces innovative mechanisms such as individual learning accounts and comprehensive quality assurance frameworks, underpinned by data-informed policymaking and strong cross-sectoral cooperation.

General education

Amendments to the Law on Primary Education were approved in January 2025, after several discussions regarding the exclusion of some grounds for discrimination recognised in the bill. Further amendments were approved in early 2025 and then in April. In July 2025, the European Parliament recommended that ‘the new Law on Primary Education maintain explicit protection against discrimination based on gender, sexual orientation and gender identity, ensuring alignment with national and international commitments’ (European Parliament, 2025b). At the end of 2024, amendments had been made to the Concept for Primary Education⁸.

The new financing formulas for primary and secondary education – two indicators included in the National Reform Agenda – were approved in August 2025 and will be implemented with the 2026 budget. The new formulas introduce a standardised, per-student funding model, designed to reflect evolving demographic and educational needs. They provide municipalities and schools with a clearer framework for planning and resource allocation, including additional support for children with special educational needs, those from smaller ethnic communities and those experiencing poverty. They also incentivise municipalities to optimise school networks and resources, enabling the gradual introduction of single-shift schooling and extended learning days with enriched extracurricular activities. In secondary education, the formula aims to better align vocational training with labour market demands, ensuring students acquire relevant skills and experience⁹.

⁸ <https://mon.gov.mk/content/?id=8878>

⁹ [UNICEF: New education financing system promising to transform learning outcomes for children](#)

The draft Concept of Reform in Secondary Education (Ministry of Education and Science, 2025) presents a comprehensive plan to modernise North Macedonia's general secondary education, reaffirming its four-year structure and its role in preparing students for higher education and civic engagement. The reform prioritises inclusivity, accessibility and quality, with a strong focus on critical thinking, democratic values, environmental awareness and lifelong learning. It proposes updating outdated curricula to include digital literacy, climate change and sustainable development, while shifting teaching methods towards interactive, student-centred approaches. Digital tools will be more widely integrated to enhance learning and better prepare students for future employment, and assessment practices will move towards formative models that reflect practical knowledge application. Teacher development is central to the success of the reform, with continuous training and mentoring planned. Alignment with international standards is intended to improve student competitiveness and outcomes in global assessments such as PISA. A national competency framework underpins the reform, promoting a balanced mix of disciplinary and interdisciplinary knowledge, practical and technical skills, and values such as empathy, ethics and openness to diversity.

Vocational education

The new law on VET approved in January 2025 (Law on Vocational Education and Training, 2025) aims to better match education with labour market demands, notably by formally introducing a dual education model (see section on WBL), increasing flexibility through modular units with clearly defined learning outcomes, and involving employers in co-developing qualification standards and curricula (see 'Qualifications' section) and in the governance of Regional VET Centres.

It also places a strong emphasis on inclusive education to ensure access for all learners, notably students with disabilities, requiring schools and employers to provide reasonable adjustments.

The law ensures both horizontal and vertical mobility within VET. Credit transfer and supplementary examinations allow learners to transition between distinct levels or types of programmes. Gymnasium graduates can now enrol in post-secondary VET without the three years of work experience that was previously required.

In 2025, the MoES published a Concept Document on Post-Secondary VET, developed with IPA project support, which outlines the structure, stakeholders and quality assurance measures. Three new programmes – Driver Instructor, Professional Driver, and Computer Administrator – were formally adopted and will be delivered from 2025/26. Additionally, a specialised non-formal programme is being developed for the 'Specialist in Mechatronics for Trucks and Heavy Vehicles' qualification, addressing the demand for skilled technicians in the transport sector (European Training Foundation, 2025b).

2.3 Main actors and governance

National level

The Ministry of Education and Science (MoES) oversees the VET system, which falls under the responsibility of the Department for Secondary and Adult Education.

The National Centre for Vocational Education and Training was renamed in 2025 as 'Centre for the Development of Vocational Education' (VET centre). This body is responsible for developing occupational, qualification and assessment standards, setting curricula for VET levels 1–5, conducting teacher training and organising counselling activities. The Centre cooperates with national and international partners on issues relating to the development and monitoring of the VET system. However, its staffing is extremely limited relative to its mandate (five advisors for 14 sectors/qualifications).

The State Education Inspectorate conducts inspections on VET based on quality indicators developed for schools, while the Bureau for the Development of Education (BDE) is responsible for general education subjects, which are also taught in secondary vocational schools.

Schools are under municipal responsibility, which also covers, since 2023, the implementation of the field campaign 'Learn Smart, Work Professionally'. Seven schools with the status of Regional VET Centres are under the responsibility of the Ministry of Education instead. RVETCs are designed to have participatory governance, a different funding model and greater autonomy.

The Council for Vocational Education and the Adult Education Council have an advisory role and ensure consultations with stakeholders.

The Adult Education Centre (AEC) is an independent institution, overseen by a Steering Board comprising representatives from key ministries, chambers, local government, and the Centre itself. Its mission is to build a modern, high-quality adult education system, both formal and non-formal, aligned with national socio-economic and labour market needs. The Centre's core functions include policy development, research, quality assurance and coordination with national and international partners. It also holds a broad legal mandate for the design and implementation of adult education policies.

Under the 2025 Adult Education Law, the Ministry of Economy and Labour is tasked with several responsibilities related to adult education. These include contributing to the implementation of state policy in the field, assessing workforce upskilling and reskilling needs through labour market analysis, and providing input to the Adult Education Council. The Ministry also plays a role in preparing and aligning vocational qualifications via Sectoral Qualifications Committees, initiating the development of new qualifications in cooperation with the AEC, and formally adopting new occupational standards.

The National Agency for European Educational Programmes and Mobility works on the promotion and implementation of European programmes in the field of education, training, young people and sports in the Republic of North Macedonia¹⁰.

International level: donors

At the end of 2024, the EU Instrument for Pre-Accession Assistance II (IPA) and Budget Support projects ended, while IPA III is under approval. The latter includes actions from pre-primary to adult learning, such as adult literacy and teacher requalification.

North Macedonia is bound to achieving the agreed national reform agenda indicators adopted in response to the Growth Plan, which will provide EUR 750 million in grants and loans to the country. Indicators relevant for VET in the chapter on Human Capital Development include:

- four new regional VET centres refurbished and operational by December 2027;
- 95% primary and secondary schools having at least one qualified career guidance professional;
- 700 private companies involved in dual education by December 2026;
- 3 000 IVET students exposed to work-based learning (30% women) by June 2027;
- 700 students (315 female) enrolled in new programmes at regional VET centres by December 2026;
- 500 adults awarded qualifications via validation of non-formal/informal learning (30% women) by December 2027;
- 16 VET programmes developed for validation, including two for women by June 2027;

¹⁰ [National Agency - National Agency](#)

- implementation of a new financing methodology in secondary and VET education applied when preparing the national budget of 2027, by December 2026;
- 95% of teachers trained in digital and green skills by December 2027;
- revised secondary school curricula integrating the European Digital Competences Framework, adopted and implemented in 50% of grades, by December 2027.

The ILO provides technical assistance for the Youth Guarantee, covered with EU IPA funds. Helvetas contributes through its Education for Employment (E4E) project, focusing on the quality of work-based learning. The OEAD is expanding its regional career guidance initiative in primary education to North Macedonia. The UNDP has significantly invested in youth-focused efforts, with USD 1.45 million from various donors¹¹ in 2023 to support youth councils, employment programmes and inclusion initiatives, including training and youth-led projects. The EBRD's new five-year strategy includes promoting human capital through vocational training to address skills gaps and demographic challenges (European Bank for Reconstruction and Development, 2025). Additionally, the Council of Europe Development Bank has approved a EUR 20 million loan to expand and upgrade physical education facilities in schools, supplementing a previous EUR 30 million investment. The Regional Challenge Fund has launched [Net4VET](#), a platform to strengthen the VET ecosystem by connecting enterprises, providers and policymakers with a view to enhancing workforce development¹².

2.4 Policies and developments

Overview

The VET Centre developed a new concept on vocational education and training (Centre for the Development of Vocational Education, 2025). Key areas of work include: VET responsiveness to labour market needs; inclusion and accessibility through equal opportunities and support for all learners; sustainability and efficiency; and international Integration. The strategic directions of VET in North Macedonia focus on developing a competence-based framework that equips learners with skills relevant to both current and future labour market needs. Emphasis is placed on innovation through the integration of digitalisation and artificial intelligence. Teacher training is being strengthened, with a particular focus on continuous professional development and the certification of company mentors. Learning is made more flexible through modular structures and credit-based systems that support the transfer and accumulation of achievements. Additionally, people should be able to access VNFIL services.

Despite the country's efforts to modernise VET and bring it closer to companies, a significant mismatch between skills demand and supply has generated an imbalance in the labour market. 'The education system does not adequately equip young people with the key competences that they need to actively participate in the regular labour market. Persistent structural problems of the labour market, such as low participation rates, especially for women, and high youth unemployment dampen productivity growth' (European Commission, 2024).

¹¹ [Youth challenges transferred in solutions: What UNDP North Macedonia does on the subject | United Nations Development Programme](#)

¹² [Net4VET: New Platform Connecting the Western Balkans VET and Business Community - Regional Challenge Fund](#)

Qualifications, validation, and recognition

The new 2025 Law on the National Qualifications Framework (NQF) outlines the guiding principles and objectives of the framework, detailing its structure, levels and sublevels, and level descriptors. The law also specifies the mandatory components of qualification standards, and the scope and classification of qualifications. It sets out the governance model, mechanisms for quality assurance, and the roles of key stakeholders within the qualifications system.

The NQF Board formally establishes a new Sectoral Commission for Qualifications for each qualification sector (currently there are 16 in operation). They are responsible for defining occupational standards (to be revised every five years), analysing labour market trends, proposing qualifications, reviewing and evaluating existing qualifications and standards, advising on their continuation or improvement, identifying qualification needs, and ensuring alignment between occupational standards, qualification standards and examination programmes. They also promote qualification sectors and employment opportunities and submit annual reports to the Board. Each commission comprises a chair and eight members, appointed by the Board upon proposals from various stakeholders including ministries, employer organisations, trade unions, universities and professional chambers.

The evolution of the NQF is linked to the development of a validation of non-formal and informal learning (VNFIL) system in North Macedonia. A comprehensive legal framework for VNFIL is already in place. Although methodological tools have been developed and pilot projects have been conducted in three RVETCs for six vocational qualifications, the system is not yet fully operational or widely implemented. Through this system, qualifications up to NQF level 5B – both educational and vocational – can be awarded. Vocational certificates, while valid, do not include the general education component and therefore do not support vertical mobility. The MoES is responsible for overseeing VNFIL policy and verifying service providers, while the AEC leads implementation, practitioner training and monitoring. Although the Law on Higher Education allows for higher education qualifications to be awarded through VNFIL, the necessary quality assurance regulations are still pending.

Work-based learning

The 2025 VET Law establishes a comprehensive framework for implementing dual education, emphasising close cooperation between vocational schools and employers. Dual education is defined as a model where students alternate between learning in a school setting and gaining hands-on experience in a real work environment, with a view to better aligning educational outcomes with labour market needs.

At the heart of the dual education model is a mandatory partnership between schools and employers, which jointly determine the content, timing and methods through which students acquire competences. The law allows dual education to be implemented across all vocational qualification levels – II, III, IV, and V-B – with WBL prohibited between the hours of 10 p.m. and 6 a.m.

Once enrolled, students sign a tripartite agreement with employers and schools that sets out each party's responsibilities, the duration of the training and the conditions under which the agreement can be terminated.

One of the key features of dual education is the obligation for employers to compensate students for their practical training. While the bill mandated a progressive payment structure, the approved law requires employers to pay 'any compensation' without quantifying the amount.

Students are entitled to safe, inclusive and non-discriminatory learning environments, both in school and at the workplace. They must also receive health and safety training before starting practical placements. Schools are required to appoint a WBL coordinator, ensure that students have insurance, monitor WBL, and manage the data and documentation relating to each student's training.

Employers must be formally verified to be able to participate in dual education. This includes being registered for the relevant activity, not undergoing bankruptcy or a liquidation process, and having at least one trained mentor on staff. Mentors play a significant role in supporting students during their training and must complete an accredited training programme in pedagogy and instructional methods. A public national registry of qualified mentors is maintained, and training costs can be covered by various sources, including employers, schools, state funds or international donors. The number of companies offering WBL placements and of students enrolled in dual education has grown over the years: to 650 and 4 171, respectively, in 2024/25.

In 2024, ETF carried out an analysis of WBL quality in North Macedonia against the EU quality frameworks for apprenticeships and traineeships, respectively covering initial and continuous VET, and ALMPs (European Training Foundation, 2025d, forthcoming).

Career guidance

North Macedonia has made significant strides in strengthening its career guidance (CG) system. A rulebook and occupational standards for career guidance practitioners, along with a national Career Management Skills (CMS) framework, have been formalised and approved (Ministry of Education and Science, 2025b). These instruments have been developed in alignment with the latest international standards, with technical support from the European Training Foundation (ETF) and the national Euroguidance/Europass centre.

In line with the Growth Plan and the National Reform Agenda, large-scale training of CG practitioners is underway to support the implementation of the new education law, which mandates the establishment of career guidance teams in every school. Additionally, a university-level degree programme for career guidance is being developed to further professionalise the field.

The establishment of career guidance centres at municipal level, including for adults, is being discussed in the context of the new IPA III and under the umbrella of the Youth Guarantee.

The ETF has proposed to pilot a new outreach approach in selected municipalities, one that conceives guidance as a 'non-formal learning process through which personalised development of knowledge, skills, and attitudes (collectively, competences) is facilitated, to achieve agency and independence for young people' (European Training Foundation, 2025).

Quality assurance

In North Macedonia, the MoES plays a leading role in planning and implementing VET quality assurance (QA), in collaboration with other relevant institutions from the field of education and the labour market. One is the State Education Inspectorate, which has been part of the Ministry since 2025. The educational institutions and other relevant bodies form part of a broader quality management system focused on meeting defined standards.

The Education Strategy 2018–2025 and its accompanying Action Plan included a dedicated focus on QA in VET¹³. Under Priority II – Improving the Learning Environment and Quality of VET, the strategy explicitly references alignment with the European Quality Assurance in Vocational Education and Training (EQAVET) framework.

The adoption of the 2025 Law on VET has enabled the implementation of the State VET Matura, scheduled to commence in the 2027/28 academic year. This should provide access to higher education, while the School VET Matura facilitates direct entry into the labour market. Additionally, a final examination has been introduced for students completing two-year and three-year VET programmes, formally recognising their competencies and supporting labour market integration.

¹³ Information reported under this section relies on (European Training Foundation, 2025c), and (European Training Foundation, 2025b).

The Law on NQF mandates that all qualification standards undergo revision at least once every five years, which is subject to validation and approval by the Council for Development of VET and Adult Education, ensuring that qualifications remain responsive to labour market demands and technological change.

Efforts to align national quality assurance systems with European standards are ongoing. The CDVE, in cooperation with other national bodies, is piloting four EQAVET quality indicators in selected VET schools. This initiative aims to assess the relevance and applicability of EU-level indicators and to support evidence-based planning, monitoring and continuous improvement across the VET sector.

Centres of excellence

The establishment of the Regional VET Centres (RVETC) was foreseen in the Education Strategy 2018-2025. The role and tasks of the RVETCs are regulated in the 2025 VET Law and the new 2025 'Concept for VET'. These sources explicitly recognise RVETCs as state schools and define their scope of work in delivering formal VET programmes, adult learning, VNFIL and regional socio-economic development. The law regulates RVETCs' governance structures and links to employers through dual education and WBL coordination.

The 2025 Law on Adult Education introduced a formal system by which RVETCs can be verified as adult education programmes and VNFIL providers, as long as they have an advisor and an assessor to conduct this function. This legal shift is reinforced by the Adult Education Strategy (2025–2030), which prioritises the professionalisation of validation roles and aims to increase adult participation in education. Seven regional centres have been established in seven different regions out of the eight regions in the country¹⁴.

In collaboration with the MoES, the ETF is supporting the development of RVETCs by clarifying their mandates, roles and capacities, and fostering stronger cooperation between centres so that they can function as a coordinated national network with regional leadership roles, supporting them to evolve into Centres of Vocational Excellence (CoVEs). Nevertheless, several operational challenges remain, including governance, management, partnerships, funding, teaching and learning practices, internationalisation and the integration of adult learning and career guidance.

Digital education and skills

North Macedonia has placed increasing emphasis on digital transformation in education, with strategic efforts aimed at enhancing digital literacy, integrating ICT into teaching and learning, and aligning curricula with the evolving demands of the digital economy. Two main strategies provide the regulatory framework: the ICT and Digital Literacy strategy, emphasising the use of ICT to enhance the effectiveness of the education process; and the national ICT Strategy 2023-2027, which underlines the need to align the education curriculum with industry needs and future requirements.

In 2024, a [study on the digital competence of teachers](#) based on the EU tool 'SELFIE for Teachers' was conducted by the MoES and BDE, in collaboration with ETF and the European Commission's Joint Research Centre. As a follow up, ETF is working with national authorities on:

- contributing to national digital education policies in line with the European Commission's Digital Education Action Plan 2027 and recent EU policy initiatives such as the Union of Skills;

¹⁴ 'Kiro Burnaz' in Kumanovo – Northeastern region.
'Vancho Pitoshevski' in Ohrid – Southwest region.
'Moshka Piade' in Tetovo – Pologi region.
'Nikola Karev' in Strumica – Southeast region.
'Kole Nedelkovski' in Veles – Vardar region.
'Kole Nehteni' in Shtip – Eastern region.
'Gjorgji Naumov' in Bitola – Polog region.

- raising awareness of the study's key findings and policy messages; and
- discussing the benefits and preconditions for launching an ongoing use of the aforementioned 'SELFIE for Teachers' tool.

With regard to digital skills for adults, the European Skills and Jobs Survey (ESJS)¹⁵, conducted by ETF in selected non-EU countries, focuses on job-skill requirements, the impact of digitalisation, the workforce mismatch, underutilisation of skills, skill gaps, vocational education and labour market outcomes. Most employees use digital tools for basic tasks, with limited opportunities for digital upskilling. The intensity of digital skills use varies, with higher participation in digital training observed among those already using technology in their roles. The adoption of digital technologies is positively associated with participation in job-related training, but overall engagement in such training remains low – particularly in digital skills. Participation is notably higher among highly skilled workers and those in skilled occupations, while vulnerable groups, including older adults and individuals with lower levels of education, face significant barriers to access. Key challenges include low levels of technology adoption, persistent skills mismatches and a widespread need to strengthen basic and digital competencies (European Training Foundation, 2023).

Green transition

VET policies do not typically prioritise making VET fit for the green transition¹⁶. However, in 2024, the VET Centre, in collaboration with employers and companies, developed 14 handbooks – one for each vocational sector as defined by the NQF – to support the modernisation of vocational education programmes and, not least, to introduce green skills. These handbooks include a standard template ('model') for modular units focused on green skills and sustainable development, which teachers can use to design the extra-curricular component of the curriculum, tailored to the specific needs of their qualifications and local labour market. Teacher training sessions were held to support the implementation of the handbooks. The next phase will involve integrating green content into the mandatory curricula shared across all qualifications within each sector.

North Macedonia takes part in a number of regional and international projects in the field of the green transition. One is GREENOVET¹⁷, which fosters the development of VET Excellence in Green Innovation across Europe by establishing Centres of Vocational Excellence. The Regional Challenge Fund, operating in the Western Balkans, also promotes initiatives to support greener VET¹⁸.

Adult learning

In 2025, North Macedonia has introduced a range of legal changes, policies and initiatives to support lifelong learning, upskilling and reskilling opportunities for adults.

Amendments to the Law on Adult Education, the Law on VET, and the Law on NQF have introduced mechanisms for programme verification, provider accreditation and VNFIL. These reforms aim to improve QA and operational efficiency. The AEC now holds full responsibility for accrediting providers and verifying programmes, and is authorised to offer adult learning programmes itself.

The Adult Education Strategy 2025–2030 outlines goals such as increasing participation in adult learning through digital access, strengthening employability and entrepreneurial learning, and developing a national framework for VNFIL. It also promotes innovation, digital transformation and professional development for adult education staff, aligning with the EU's agenda and policies.

¹⁵ It involved national representative surveys of adults aged 25–64 in employment, with approximately 1 000 respondents per country.

¹⁶ This statement is based on the monitoring of VET developments in the context of the country's commitments against the Osnabrueck Declaration.

¹⁷ [Home | GREENOVET | Skills for a Green Europe - A Sustainable Future with Green Innovation](#)

¹⁸ [Understanding the Green Transition in VET - Regional Challenge Fund](#)

Despite these advancements, challenges remain. Funding for adult learning is limited and often donor-dependent, and participation rates are below EU targets. Awareness-raising efforts are sporadic and lack sustainability, while CG services for adults are underdeveloped and not provided systematically. The system for VNFIL is still in its initial stages, with low public awareness and institutional capacity gaps. Nonetheless, initiatives such as the operational plan for active employment programmes and the involvement of RVETCs in tailored training provision represent promising steps towards a more inclusive and responsive adult learning system.

3. LABOUR MARKET AND EMPLOYMENT: POLICIES AND DEVELOPMENTS

3.1 Strategy and legal framework

The National Employment Strategy 2021-2027¹⁹ outlines the country's strategic objectives in the field of labour market and employment policies, and a new Action Plan 2025-2027 should be adopted by the end of 2025. The strategic objectives include improving the relevance and quality of education and learning outcomes, enhancing economic and enterprise development policies to create decent jobs, and strengthening the inclusiveness of labour market policies.

The 2005 Labour Relations Law (Labour Relations Law, 2005) remains the foundational legislation governing employment in North Macedonia. The parliament adopted amendments to this law in February 2025, and in June the law was changed to decrease the threshold required for trade unions to be considered representative at the national level. Working groups on this law had started working under the new government but stopped because of an administrative reorganisation between two Ministries.

In 2023, the former Ministry of Labour and Social Policy prepared a bill on the employment of persons who perform seasonal, temporary and occasional work. A working group, supported by the ILO, was set up to work on it but the bill has not yet been approved.

The Law on Innovation, Scientific and Technological Development and Entrepreneurship, adopted in July 2025²⁰, dedicates a full chapter to fostering enterprise-led innovation, encouraging investment through state support and integrating businesses into a comprehensive national innovation system.

The new 2025 Operational Plan for ALMPs was developed in January and approved in May (Employment Service Agency of the Republic of North Macedonia, 2025). This document introduced a more personalised approach to employment services, tailoring support to jobseekers' individual needs and abilities. Additionally, the Operational Plan expands training measures, including on-the-job training and programmes aligned with employer demands, to enhance employability and labour market integration.

3.2 Main actors and governance

National level

In 2024, the Government of North Macedonia undertook an institutional restructuring to improve policy coherence, increase administrative efficiency, and ensure more targeted interventions in both economic and social spheres. As a result, the former Ministry of Labour and Social Policy was split into two separate entities, as outlined below.

- The newly established Ministry of Economy and Labour assumed responsibilities relating to employment, labour market regulation and economic development, aiming to better align labour policies with the country's economic strategies.

¹⁹ A new Action Plan 2025-2027 should be adopted by the end of summer.

²⁰ [Creating breakthrough in science, technology, innovation development.](#)

- The Ministry of Youth, Demography and Social Policy was created to address social welfare issues, demographic trends, and youth development and employability, reflecting a strategic focus on population dynamics and the well-being of future generations. As such, it is responsible for the Youth Guarantee.

The Employment Service Agency (ESARNM) is responsible for:

- collecting and disseminating information relating to the labour market;
- providing employment advice and career guidance;
- finding jobs for active jobseekers;
- managing passive and active labour market measures;
- administering a broad database of relevant information on the employed, unemployed and inactive jobseekers.

The ESARNM is involved in developing strategies, actions and operational plans. It is also responsible for implementing the operational plan for active programmes and measures for employment and services on the labour market, which is developed by the Ministry of Economy and Labour, and adopted by the Government. The Agency has consistently reported a persistent lack of human, professional and financial resources over an extended period.

International level: donors

The EU IPA has provided strategic support for employment reforms. The Multiannual Operational Programme on Human Capital in favour of the Republic of North Macedonia (2024–2027), funded under EU IPA III, represents a strategic investment in employment and labour mobility, social inclusion and poverty reduction, and human capital development. With a total budget of EUR 49.7 million – EUR 40 million of which is contributed by the EU – the programme targets the key socio-economic challenges exacerbated by the COVID-19 pandemic and energy shocks, including rising unemployment, poverty and social exclusion (Directorate-General for Neighbourhood and Enlargement Negotiations, 2024).

The ILO has contributed technical assistance for implementing the Youth Guarantee, including a comprehensive mapping of NEETs. Additionally, the ILO has conducted impact evaluations of active labour market measures between 2022 and 2024, and of the unemployment insurance law, and has submitted an IPA application to support the development of new IT tools and databases to improve service delivery and monitoring.

The United Nations Development Programme (UNDP) in North Macedonia has undertaken a multifaceted approach to addressing youth employment and empowerment challenges. Its key contributions in employment policy include a strategic investment in young people (USD 1.45 million in 2023) to support programmes aimed at employment, environmental engagement and youth participation. Such UNDP interventions are embedded within a broader strategy of youth empowerment, combining skills development, participatory governance and inclusive policy design to address the demographic and socio-economic challenges facing young people in the country²¹.

²¹ [Youth challenges transferred in solutions: What UNDP North Macedonia does on the subject | United Nations Development Programme.](#)

3.3 Policies and developments

Overview

North Macedonia's employment strategy is defined in its National Employment Strategy 2021–2027, the Decent Work Country Programme (DWCP) 2023–2025, and reforms articulated in the Economic Reform Programme 2023–2025 (European Commission, 2024). These frameworks emphasise job creation, formalisation and productivity, with a strong tripartite social-dialogue dimension involving government, trade unions and employers – notably coordinated through the Economic and Social Council.

At the same time, legal reforms are underway to better align the labour code with EU directives: bolstering equal-pay provisions, pay transparency and workplace anti-discrimination protections, and strengthening the capacity of the State Labour Inspectorate to enforce these standards (European Parliament, 2025).

Youth Guarantee

North Macedonia was the first country outside the EU to introduce the Youth Guarantee (YG) scheme in 2018. The country's Youth Guarantee Implementation Plan 2023–2026 sets out a strengthened framework to support young people aged 15-29 in accessing employment, education, training or apprenticeships within four months of leaving school or becoming unemployed. The plan responds to persistently prominent levels of NEETs (young people aged 15-29 not in employment, education or training), regional disparities and gender gaps, by prioritising early intervention, fieldwork with marginalised groups and high-quality offers. Supported by EU funding, it involves coordinated efforts between the Ministry of Youth, Demography and Social Policy, which holds the primary responsibility, and the ESARNM, which is in charge of YG implementation, together with support from the Ministry of Labour and Economy, the MoES, youth organisations and local authorities. Key reforms include expanding work-based learning, strengthening career guidance, upgrading data systems and enhancing activation measures for vulnerable groups such as women, young people in rural areas and social assistance recipients. With an estimated budget of EUR 55.7 million – 89% of which is financed from the national budget – the plan aims to deepen partnerships, modernise employment services and improve monitoring to ensure broader coverage and sustainable labour market integration for young people (Republic of North Macedonia, 2023).

The implementation plan provides key statistics on NEETs' outcomes after participating in the YG²²:

- Since the YG was launched in 2018, more than 70 000 NEETs have registered.
- Of these, 38% (26 775 young people) received an offer of employment, continued education/training, or a traineeship/apprenticeship.
- Follow-up indicators show that around 40% of those who received an offer were still in a positive situation (employed, in education or training) 18 months after leaving the YG system.
- During the pilot in 2018, about 41.9% of participants received an offer within four months, a figure which went up to 43.5% in 2021 after two years of decline (36.8% in 2019, 34.2% in 2020).
- Offers specifically for employment accounted for 36.6% of all registered participants in 2018, 31.0% in 2019, 29.3% in 2020, and 37.1% in 2021.
- The share of registered young people who remained in the YG system after four months increased from 34.3% in 2018 to 61.3% in 2020, before decreasing to 41.8% in 2021.
- Young people re-entering the YG after a previous offer concerned about 20% of beneficiaries, particularly those who had received employment offers

²² Based on an automated translation from Macedonian to English of the ESARNM Operational Plan.

The introduction of the Youth Guarantee was followed by a drop in the NEET rate (aged 15-29), which fell from 29.8% in 2018 to 22.8% in 2022. It then rose to 24.1% in 2023 and decreased to 22.6% in 2024.

Considering the data from 1 January 2025 to 6 August 2025, 16 941 unemployed persons aged 15 to 29 were registered, the majority of whom were men aged 15-24. In the same period, 14 037 entered the scheme and 7 967 people left it (mostly women, 4 118). Approximately 60% of those who entered had no previous experience with the Youth Guarantee. Among those who did, only about 25% had taken up an offer. The average annual stock of young people still in the YG preparatory phase after four, six and 12 months since the date of registration was, respectively, 71.1%, 61.6% and 45.7%.

3.4 Active labour market programmes (ALMPs)

The Employment Service Agency of the Republic of North Macedonia (ESARNM) provides a comprehensive range of services, divided into labour market services and labour market measures.

Labour market services refer to labour market interventions where the participants' main activity is jobseeking and where participation does not normally lead to a change in labour market status:

- employment mediation;
- information and counselling on employment and 'motivation training' service;
- active job searches, vocational orientation and career guidance.

ESARNM labour market measures with more participants in 2024 include:

- support for self-employment (for unemployed people);
- support for creating new jobs (e.g. wage subsidies, employment and growth of legal entities);
- various forms of training programmes: for example, Training for In-Demand Occupations; Driver Training for Categories C and D; Training in Advanced IT Skills;
- traineeships²³;
- public works;
- municipal beneficial work;
- support for creating new jobs through green investments;
- youth allowance.

In 2025, there were also a number of additional pilot measures²⁴, and the wage subsidy programme regrettably came to an end. Experimental evidence has shown that when such subsidies are combined with job-matching services, they can lead to durable improvements in formal employment (Armand, Carneiro, Tagliati, & Xia, 2025).

The total number of participants in labour market measures in 2024 was 12 368 people. However, participation in skills development opportunities such as internships remained limited (1 202 jobseekers). About 5 000 people were involved in the 'youth allowance' initiative targeting young people up to 22 years old, employed in agriculture and manufacturing, who receive MKD 3 000 (denars) per month to top up their salary. Until 15 August 2025, no beneficiaries were registered for this measure. In 2025, new measures supporting 'self-employment' were introduced, contributing to a tangible increase in the number of participants (6 033 as of 15 August 2025, 1 848 in 2024).

²³ See (European Training Foundation, 2025d, forthcoming) chapter on WBL in ALMPs.

²⁴ Basic Skills Training – Foreign Languages and Computers; Training in Entrepreneurship, Business Planning and Business Skills Development; Advanced Business Training – Licensed Training with Recognised International Certificate; Public Works for Fire Protection and Prevention and Environmental Enhancement at Local Level.

4. KEY INDICATORS: EDUCATION, SKILLS, EMPLOYMENT

4.1 Headline indicators

Education and VET

Monitoring a complex education and training system typically starts with three straightforward questions: who takes part, what do they achieve, and what supports the process?

The first question explores the extent to which learners engage in education or training. It is addressed by indicators grouped under *Participation and access* in Table 4.1: net enrolment rates at lower and upper secondary levels; the share of students in upper-secondary VET; the gross enrolment ratio in tertiary education; and adult participation rates in lifelong learning. The second question – what learners achieve – examines key education outcomes, such as learner progression and the skills or qualifications they obtain. These are reflected in the indicators under *Attainment, completion and outcomes*: the share of adults with tertiary qualifications; the rate of early leavers from education and training; and the percentage of 15-year-olds underachieving in mathematics. The third question considers the financial, physical and informational resources that sustain the education process, reflected by the indicators under *Resources and data*: public expenditure on education as a share of GDP; the adequacy of infrastructure; and the availability of internationally comparable data.

Table 4.1 Headline indicators: education and VET (North Macedonia, EU average) (2022-2024)

Participation and access	2022	2023	2024	EU (1)	Source
Total net enrolment rate (lower secondary)	M.D.	M.D.	M.D.	98.1	UIS UNESCO
Total net enrolment rate (upper secondary)	M.D.	M.D.	M.D.	93.6	UIS UNESCO
Students in VET as a % of total upper secondary students	62.9	M.D.	M.D.	48.8	UIS UNESCO
Gross enrolment ratio (tertiary)	53.0	M.D.	M.D.	79.7	UIS UNESCO
Participation in training/lifelong learning in the previous 4 weeks (% aged 25-64)	2.7	2.8	3.7	13.3	LFS
Attainment, completion and outcomes	2022	2023	2024	EU (1)	Source
Educational attainment of total population: % with ISCED 5-8	17.0	20.7	M.D.	30.2	LFS
Early leavers from education and training (% aged 18-24)	6.2	3.7	7.8	9.3	LFS
Underachievers in maths (% aged 15)	66.2	N.A.	N.A.	31.1	PISA OECD
Resources and data	2022	2023	2024	EU (1)	Source
Public expenditure on education (as % of GDP)	M.D.	M.D.	M.D.	4.7	UIS UNESCO
Inadequate or poor-quality physical infrastructure (2)	24.1	N.A.	N.A.	27.9	PISA OECD
Availability of internationally comparable data on education	N.A.	51.1	57.0	N.A.	TRP (3)

Notes: 1. EU average, latest available year. PISA data: OECD average. 2. Percentage of students in schools whose principal reported that the school's capacity to provide instruction is hindered at least to some extent by inadequate or poor-quality physical infrastructure. 3. ETF Torino Process (TRP).
Source: ETF KIESE database

The data in Table 4.1 shows an education and training system with a strong vocational orientation, rising levels of tertiary attainment, and low rates of early school leaving. It also reveals the presence of challenges in that system, especially regarding subpar learning outcomes in key domains such as mathematics, low participation in adult learning and gaps in the availability of data in critical areas such as enrolment and public spending on education.

In more specific terms, Table 4.1 demonstrates that there are substantial gaps in the availability of data for key education indicators. Enrolment data is entirely missing for both lower and upper-secondary education throughout the reporting period (2022–2024). There is also no recent data on participation in higher education and VET.

Despite these limitations with the evidence, North Macedonia has expanded the supply of internationally comparable indicators, from 51.1% in 2023 to 57% in 2024. However, the missing data in Table 4.1 suggest that progress in this respect has been uneven, as several rather fundamental domains – such as enrolment rates and public spending – remain poorly covered.

To the extent that the data is available, it can be seen that vocational education played a prominent role in 2022, accounting for around 63% of all upper-secondary enrolments – well above the EU average (48.8%). In 2022, about half (53%) of young people of typical tertiary-education age entered university, considerably less than in EU countries on average. Participation in adult learning is very low, at less than 3% in 2022 and 2023, significantly below the EU average (13.3%).

The share of adults in North Macedonia with tertiary education qualifications increased significantly in the reporting period, from 17% in 2022 to nearly 21% in 2023. Despite this improvement, the level of tertiary attainment remains substantially below the EU benchmark (30%) and indicates that workers with higher-level qualifications may be in short supply. Conversely, early school leaving is low, and it continues to decrease, from 6.2% in 2022 to 3.7% in 2023. This is well below the average for EU countries.

However, staying in school does not necessarily mean doing well in school. According to the OECD's PISA, a worryingly high share of 15-year-olds (66.2%, twice the OECD average) struggles academically, failing to reach basic proficiency in key subjects such as mathematics. This deficit in mathematics skills is likely to be symptomatic of broader weaknesses in providing students with foundational skills and competencies.

Data on public expenditure on education as a percentage of GDP is not available in the KIESE dataset for the current reporting period, as this indicator relies exclusively on the UNESCO UIS database, which has not published updated figures for this timeframe. According to alternative sources, North Macedonia spent approximately 3.8% of its GDP on education in 2022. Around 50% of this spending was allocated to primary education, followed by secondary education, with tertiary education receiving the smallest allocation (Ministry of Finance of the Republic of North Macedonia & World Bank, 2023). According to the previous edition of this ETF country report on key developments in education, skills and employment (2024), education spending declined further, dropping to 3.58% in 2023 and to 3.17% in 2024. Overall, throughout the reporting period, North Macedonia dedicated a smaller share of its national income to education compared to the EU average.

In the same vein, in 2022, approximately one-quarter (24%) of students attended schools reported to have inadequate infrastructure (Table 4.1)

Employment and demand for skills

The set of labour-market indicators follows the same question-and-answer logic applied to education and training, but from the perspective of employment. The indicators are organised into two complementary groups. The first group, *Employment and labour-market outcomes* (Table 4.2), addresses how effectively the labour market absorbs people. It consists of the overall employment rate (aged 15+), youth employment rate (aged 15-24), employment rate of recent graduates (aged 20-34, ISCED 3-8), unemployment rate of the overall population (aged 15+), youth unemployment rate (aged 15-24) and NEET rate (aged 15–29). The second group, *Demand for skills* (Table 4.2), looks at the types of jobs and skills that the economy generates. It consists of employment by broad economic sector (agriculture, industry, services), the incidence of vulnerable employment and educational mismatch.

Table 4.2 Headline indicators: employment (North Macedonia, EU average) (2022-2024)

Employment and labour market outcomes	2022	2023	2024	EU (1)	Source
Employment rate (% aged 15+ or similar age group)	47.3	45.3	45.8.	54.7	LFS
Employment rate (% aged 15-24 or similar age group)	19.2	19.0	21.4	35.0	LFS
Employment rate of recent graduates aged 20–34 (ISCED 3–8)	57.8	62.3	M.D.	82.4	LFS
Unemployment rate (% aged 15+ or similar age group)	14.4	13.1	12.4	5.9	LFS
Unemployment rate (% aged 15-24 or similar age group)	32.5	29.3	29.0.	14.9	LFS
NEET rate (% aged 15-29 or similar age group)	22.8	24.1	22.6	11.0	LFS
Demand for skills	2022	2023	2024	EU (1)	Source
Employment by broad economic sectors (%): agriculture	10.0	7.8	M.D.	3.3	LFS
Employment by broad economic sectors (%): industry	30.3	31.0	M.D.	24.1	LFS
Employment by broad economic sectors (%): service	59.7	61.2	M.D.	72.1	LFS
Incidence of vulnerable employment (%)	12.7	10.0	M.D.	10.0	LFS
Employment by 'educational mismatch': % matched	M.D.	M.D.	M.D.	M.D.	ILOSTAT

Notes: 1. Data refers to 2019. 2. data refers to 2019, age group 15-59. 3. data refers to 2019, age group 16-24. 4. data refers to 2019, age group 15-24.

Source: ETF KIESE database

In 2024, fewer than half (45.8%) of 15+ years old adults in North Macedonia were employed, a slight increase compared to the preceding year, but still below the level registered in 2023 (47.3%). This decline in the overall employment rate occurred despite a simultaneous decrease in unemployment, which may indicate a reduction in labour-market participation, sluggishness in job creation, persistent informal employment arrangements, or a combination of all these factors. Although unemployment among adults (ages 15 and older) fell to 12.4%, it remained more than double the EU average (5.9%). This is likely to be a consequence of economic and labour-market conditions.

The youth employment rate increased to 21.4% during the reporting period. Youth unemployment decreased from 32.5% in 2022 to 29.3% in 2023, and decreased again to 29.0% in 2024, which is a significant improvement. However, it remains quite high in comparison with the rest of the region and the EU. Meanwhile, the share of young people not in employment, education or training (NEET) rose slightly to 24.1% in 2023, and decreased to 22.6% in 2024.

The composition of employment by economic sector in North Macedonia shifted during the reporting period. Employment in agriculture declined from 10.0% to 7.8%, but increased in industry (31%) and services (61.2%). While these shifts signal that there is a degree of rebalancing towards sectors that generally offer higher productivity potential, agriculture and industry remain more dominant in North Macedonia than in EU countries on average (the respective EU average being 3.4% and 24.1%).

Although the capacity of the North Macedonian labour market to create jobs appears limited, there was a clear improvement in the quality of jobs on offer, and the associated contractual conditions. The incidence of vulnerable employment fell from 12.7% to 10.0%, reaching the EU average. However, there are also gaps in the availability of data.

4.2 System performance indicators

As noted in the introduction to this paper, “performance” in the context of ETF monitoring describes the extent to which VET systems deliver on their commitments to learners and stakeholders in support of lifelong learning. These commitments typically cover three key areas: ensuring broad and equitable access to opportunities for education and training; delivering high-quality and relevant education; and maintaining effective and efficient organisation and management of the education system, including adequate resourcing.

To measure performance systematically, the ETF uses System Performance Indices (SPIs), which summarise the extent to which education and training systems fulfil each of their commitments. Each SPI is presented on a scale from 0 to 100, with higher scores indicating stronger performance.

Both the headline indicators in Section 4.1 and the SPIs presented in this section are guided by the same core questions: Who takes part? What do they achieve? How do education and training systems support them? The main difference between these two sets of data lies in how these questions are answered. Headline indicators answer the questions with single, stand-alone measures drawn directly from international data sources. The SPIs, on the other hand, are evaluative, composite measures. They are designed explicitly to assess how well VET systems fulfil broader policy commitments that cannot be adequately captured through individual statistics.

Access and participation

This section presents system performance in VET and adult learning against two specific policy outcomes: support for equitable access and participation for young people and adults; and support for young people in initial VET (IVET) to successfully complete their programmes.

The scope of the SPIs tracking access differs according to the target group of learners. For young people, the SPI assesses access specifically to IVET, while for adults it captures access to continuing VET (CVET) and other adult learning opportunities, such as those provided through active labour market policies (ALMPs). A separate SPI measures how effectively young learners in IVET are supported in progressing through their programmes and graduating.

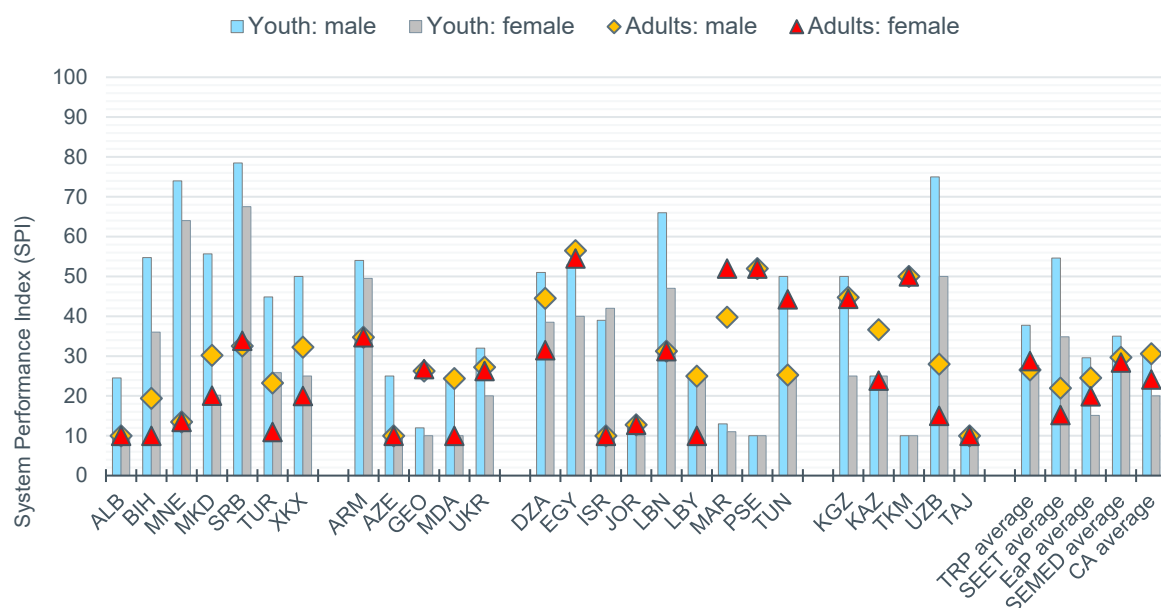
In both cases, performance depends on the policies and measures the country is implementing. They provide the opportunities, incentives and guidance needed to encourage participation and successful completion. The SPI results therefore reflect how effectively these policies deliver on their intended objectives.

Access by age and gender

The monitoring results suggest that North Macedonia is highly effective in providing access to VET for young people, irrespective of gender. The gender gap between boys (SPI of 67) and girls (SPI of 61) is one of the smallest in the Torino Process sample (Figure 4.1). This reflects system-level features such as free secondary vocational education, open to all primary school graduates at age 15, and the wide geographical coverage of vocational schools, including seven regional centres (Kumanovo, Tetovo, Ohrid, Strumica, Veles, Bitola, Shtip). Administrative data confirms VET's growing attractiveness: around 69% of all secondary students were enrolled in vocational schools in both 2022/2023 and 2024/2025. At the same time, rising enrolments may also reflect the selectivity of general academic pathways (gymnasiums). For many students, vocational programmes may thus represent the most accessible option for continuing their education beyond compulsory schooling.

While there is no gender bias in overall access, choices of vocational fields remain influenced by traditional perceptions of male and female occupations and by parental expectations. Female students mostly enrol in medical studies (41.7% female vs 14.2% male), economics, law and trade (16.5% vs 11.2%) and personal services (7.1% vs 1.9%). Boys more often choose electrical engineering than girls (26% vs 6%), mechanical engineering (16.2% vs 1.1%) and tourism and hospitality (6.2% vs 3%). The new Law on Secondary Education (2025), which for the first time provides for career counsellors and coordinators for practical education and digital skills, marks an effort to address these gendered influences.

Figure 4.1 Access to learning opportunities by country, age and gender of learners – system performance index, ETF partner countries and international average (2025)



Note: Theoretical index range: min/low performance=0, max/high performance=100.²⁵

Source: ETF KIESE and Torino Process databases

Adults are considerably less likely to participate in learning – whether through CVET or opportunities linked to active labour market policies. Barriers include inconvenient provider working hours and rigid attendance requirements, with women additionally constrained by caregiving responsibilities, economic dependency, and restrictive community norms. Nevertheless, the adult education survey (2022) shows a strong demand for non-formal learning: 71.8% of adult participants engaged in non-formal rather than formal programmes.

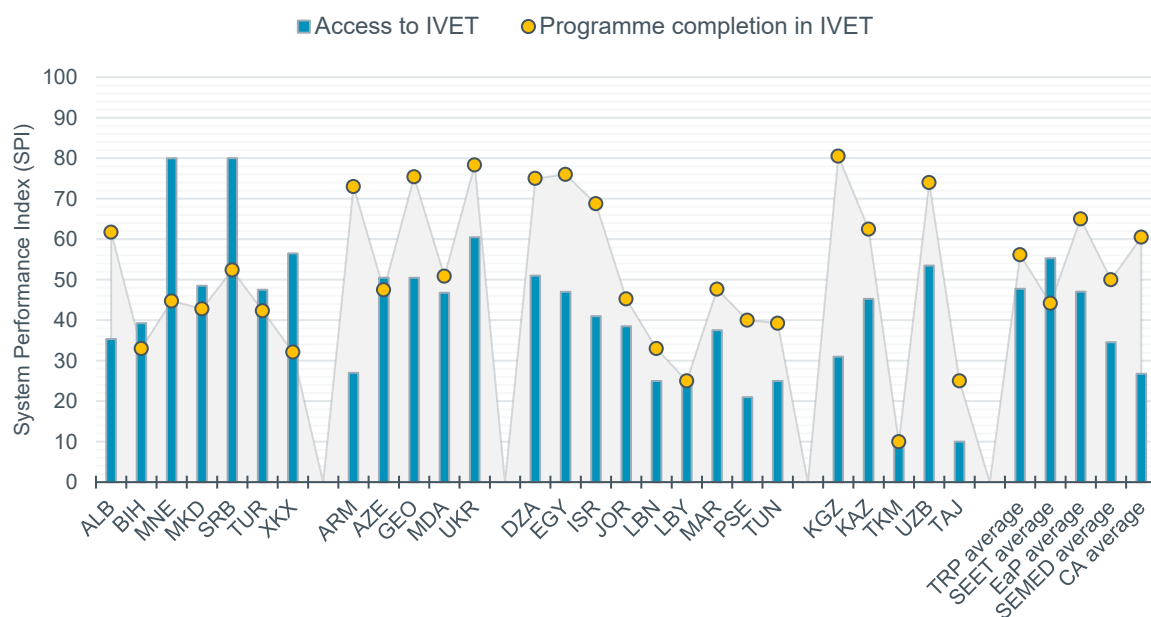
Opportunities for formal and non-formal lifelong learning in North Macedonia, offered through active labour market measures such as employer-specific vocational training, on-the-job training, occupations-in-demand programmes and digital skills development, remain less attractive to men (SPI of 23) than to women (SPI of 38). The participation data from 2023 corroborates this: women made up large shares of participants, including in vocational training tailored to employers' needs (63 of 102 participants), occupations-in-demand training (63 of 102) and digital skills training (350 of 735). These outcomes would seem to reflect targeted measures in the National Action Plan for Gender Equality 2022-2024.

Retention and programme completion

Learners who enrol in an IVET programme in North Macedonia can expect an environment conducive to programme completion and graduation (SPI of 61), a result considerably higher than both regional and international (Torino Process) averages (Figure 4.2). Consequently, the risk of dropping out or graduating late is comparatively lower.

²⁵ The Torino Process makes a distinction between a theoretical (full) index range and an index range used for reporting purposes. For reporting purposes, rare instances of extreme values on the low end (SPI <10) and on the high end (SPI >90) of the index scale are truncated at the upper (10) and lower (90) decile end. This means that the reporting does not discriminate between SPI values below 10 and above 90. The international average, on the other hand, is calculated using the full range of the index.

Figure 4.2 Access and programme completion in IVET – system performance index, ETF partner countries and international average



Note: Theoretical index range: min/low performance=0, max/high performance=100

Source: ETF KIESE and Torino Process databases

In practice, the Torino Process survey suggests that approximately 75% of students enrolled in three-year vocational programmes complete their training, and that the proportion rises to around 87% for learners doing four-year technical VET programmes. The high completion rates may be facilitated by clear pathways and flexible arrangements, including the possibility for vertical progression from three-year programmes to four-year programmes and eligibility for higher education through the State Matura examination.

Although the results suggest that IVET in North Macedonia provides its students with a stable and reliable graduation outlook, the data does not reveal whether this consistency stems from effective learner support, from lenient graduation criteria, or from other factors.

Quality and relevance of learning outcomes

In this section, the SPIs capture the quality of the provision of basic skills and key competences to learners in IVET, as well as the degree to which adults possess foundational skills. These results are complemented by selected KIESE indicators, which track the relevance of learning outcomes by examining employment rates of individuals aged 15 and older, disaggregated by educational attainment in ETF partner countries.

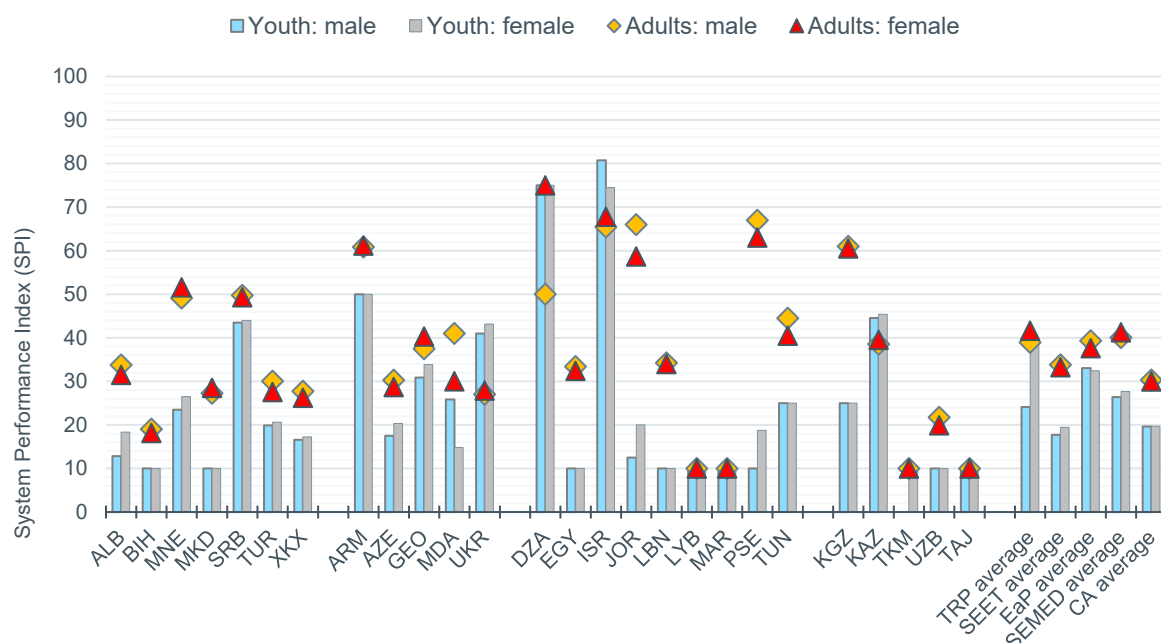
ETF monitoring keeps quality and relevance separate because, although they often reinforce each other, they do not always coincide. Learners with strong foundational skills may still struggle to find suitable employment, while individuals might secure jobs without acquiring a comprehensive skillset. By tracking these aspects separately, the reporting hopes to identify both the intrinsic benefits of education and how effectively it aligns with the needs of the labour market.

Quality of learning by age and gender

North Macedonia has limited success in providing young learners in initial VET with foundational skills and competences. Performance is low for both genders – an SPI of 16 for boys and 19 for girls – fitting a broader regional pattern of challenges in this area (SEET averages: 20 for males, 22 for females) (Figure 4.3). Despite initiatives over the past two decades to strengthen reading, mathematics and problem-solving skills, such as the ‘Reading to Leadership’, ‘Mathematics with

Thinking' and 'Mathematics with Logic' projects, student achievement in international assessments (PISA, TIMSS, PIRLS) remains low to medium, depending on the assessment.

Figure 4.3 Quality of skills and competences by country, age and gender of learners – system performance index, ETF partner countries and international average (2025)



Note: Theoretical index range: min/low performance=0, max/high performance=100

Source: ETF KIESE and Torino Process databases

According to the Torino Process expert survey, VET students underperform their peers in general education, suggesting that curriculum reforms have had a limited effect. Teaching remains largely exam-oriented, with few opportunities to apply skills in practice. Basic ICT is included in most programmes, but digital competences are uneven due to gaps in equipment and internet access.

In this domain of monitoring, there are also gender-specific differences. Girls outperform boys in foundational skills but remain under-represented in practical training in technical and better-paying fields, particularly in dual education. Structural and cultural barriers contribute to this gap, though recent policy initiatives, including the Gender Equality Strategy 2022–2027, aim to reduce these disparities.

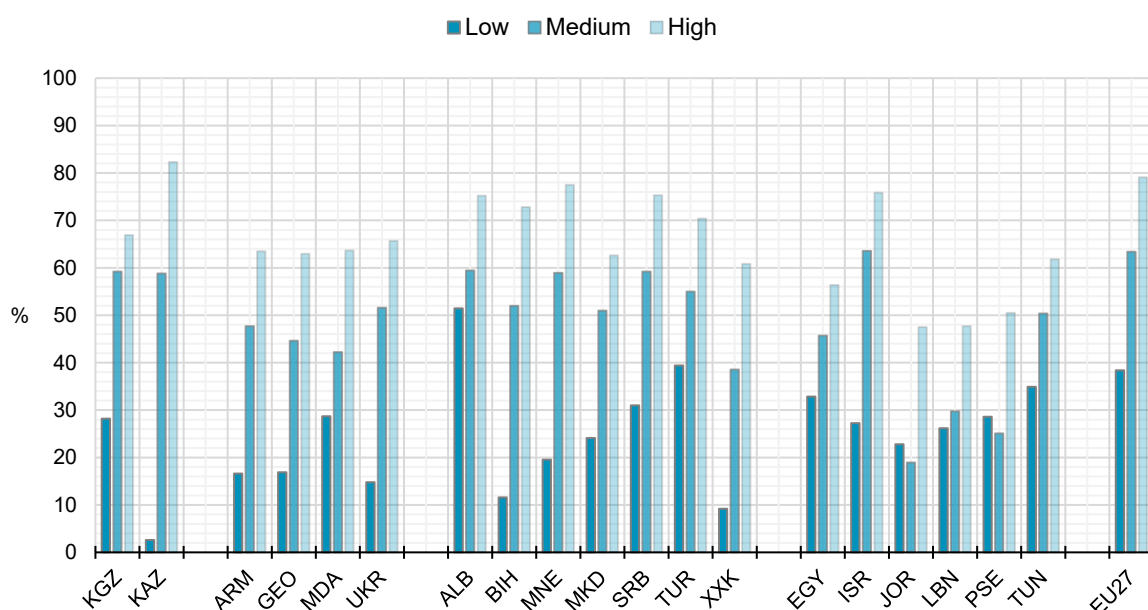
As in other countries in the Torino Process sample, adults in North Macedonia are more likely than young people to possess foundational competences. By design, the SPI score does not capture how these are acquired but, given the low baseline among young VET and general education graduates, even modest subsequent learning – through workplace experience, informal training or other non-formal pathways – can significantly improve adults' competences, as suggested by the results in Figure 4.3.

Adult education, however, still faces major challenges: participation rates remain low, digital skills gaps are wide and resources are limited. The Adult Education Strategy (2025–2030) seeks to address these issues by promoting validation of non-formal and informal learning, micro-credentials, digital and green skills development, and lifelong guidance services.

Relevance and labour market outcomes

This section uses employment data to gauge how effectively education in North Macedonia meets labour market needs. Specifically, it compares employment rates by the highest education level adults have reached with the EU-27 averages.

Figure 4.4 Employment rate (age 15+) by educational attainment, ETF partner countries (2024)



Source: ETF KIESE database

The employment prospects of adults of working age in North Macedonia differ substantially by level of educational attainment. Adults with medium-level qualifications have an employment rate of 51.0%, nearly 27 percentage points higher than those with a low level of qualifications (24.1%). For adults with a higher education, the rate is 62.6%, about 12 points above those with a medium level of qualifications. Overall, the best-educated adults are roughly 2.6 times more likely to be employed than the least-educated (62.6% compared with 24.1%) (Figure 4.4).

A closer look at medium-level qualifications reveals that VET plays an important role. According to data provided through the Torino Process monitoring survey and the State Statistical office, in 2024 around 54% of all employed adults had completed a three-year or four-year secondary education (State Statistical Office, 2025), which shows that a substantial share of VET graduates enter employment successfully. Not all is positive, however. Young VET graduates record a slightly higher employment rate than their general education graduate peers, but the rate of NEETs among them is also considerably higher (28.0% for VET graduates compared with 21.9% for graduates from general education). Results vary by programme, sector and geography. Graduates from dual VET programmes perform best in this respect: over 65% find work within one year, compared to 35-45% of other VET graduates within two years. The employment prospects are also stronger in fields such as engineering, ICT, catering and healthcare, and weaker in textiles, economics or chemistry. Employability is higher in cities like Skopje, Tetovo and Bitola, and lower in rural areas, where economic activity is limited.

Despite variations, there is a degree of uniformity in these results: educational attainment clearly improves the employment prospects of adults in North Macedonia, but their employment rates remain consistently below the averages for EU countries at all three broad levels of qualification (low, medium, high). Adults with a low level of qualifications face the greatest barriers, with fewer than one in four being employed, compared to nearly two in five in the EU-27. The employment gap with the EU is smallest for adults with medium qualifications (-12 percentage points) and larger for those with a low level (-14) and high level (-16) of qualifications. The monitoring survey also quotes employers reporting that many graduates are not adequately prepared for work (IIEP, 2024). This underlines that the need for closer alignment between VET curricula and labour market expectations has not yet been addressed, despite recent initiatives such as the Concept for VET (2025), the National Youth Strategy (2023-2027), the Youth Guarantee and the Smart Specialisation Strategy.

System management and organisation

In the final section on policy and system performance, the focus shifts to the organisation and management of the education and training system, with particular attention on VET.

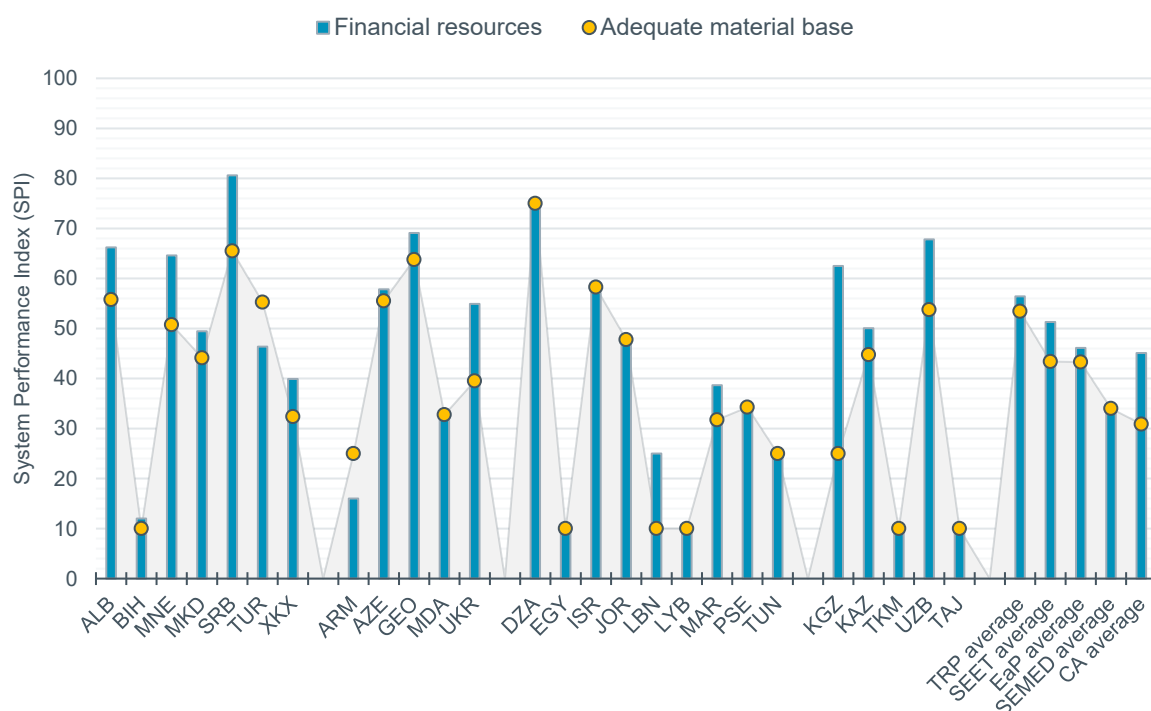
The analysis presents data on system performance in the form of SPIs in three areas: effective allocation and use of financial resources in VET; allocation, use and professional capacity of human resources, including leadership skills and professional competence of school management and staff; and system steering and management, which includes data, quality assurance, school leadership and the internationalisation of VET.

Financial resources in VET and lifelong learning

This section considers how effectively North Macedonia ensures adequate financial resources for its VET system, and how successfully it converts these resources into suitable infrastructure and learning materials.

The monitoring data (Figure 4.5) places North Macedonia above regional and Torino Process averages in both of these dimensions of resource adequacy. With an SPI of 74, system performance in the area of financial resources for VET in North Macedonia is substantially higher than the Torino Process average (SPI of 48) and the SEET regional average (SPI of 55). Similarly, the SPI of 63 for the material base suggests that, overall, the country converts funding into infrastructure and resources more effectively than countries in the SEET region (SPI of 48) and the Torino Process monitoring sample (SPI of 43). However, it is important to note that these results show national averages and may mask disparities between regions and between providers within the country.

Figure 4.5 Allocation and use of financial resources in education and training – system performance index, ETF partner countries and international average (2024)



Note: Theoretical index range: min/low performance=0, max/high performance=100

Source: ETF KIESE and Torino Process databases

The lower score for the material base compared with financial resources indicates scope for a more effective use of funding. Since 96.7% of school resources come from the state budget and are distributed as block grants to municipalities, schools and local authorities have little financial autonomy, which may reduce the efficiency with which funds are used. Despite schools being legally

free to raise additional funds, these contributions remain marginal and account for only 2.9% of the total school resources. In adult education, disparities in public funding create further barriers: while some providers receive government support, others must rely on participant fees or NGOs, leaving vulnerable groups such as the Roma at a disadvantage.

External programmes help to mitigate some of these shortcomings. The Regional Challenge Fund has enabled vocational schools and higher education institutions to modernise laboratories and introduce accredited training, working in partnership with businesses in sectors such as manufacturing, healthcare, ICT and engineering. In parallel, IPA projects and the Government Reform Agenda (2024–2027) have financed infrastructure upgrades for regional VET centres, complementing national allocations.

Human resources: allocation, use, professional capacity

According to the Torino Process monitoring survey, the availability and distribution of teaching staff in VET is uneven across North Macedonia. While staffing in some vocational schools is generally satisfactory, other institutions face challenges. However, despite the presence of good practice examples, overall system performance in support of human resources in vocational education (SPI of 47) remains below both the SEET and Torino Process averages (SPI of 61 for both).

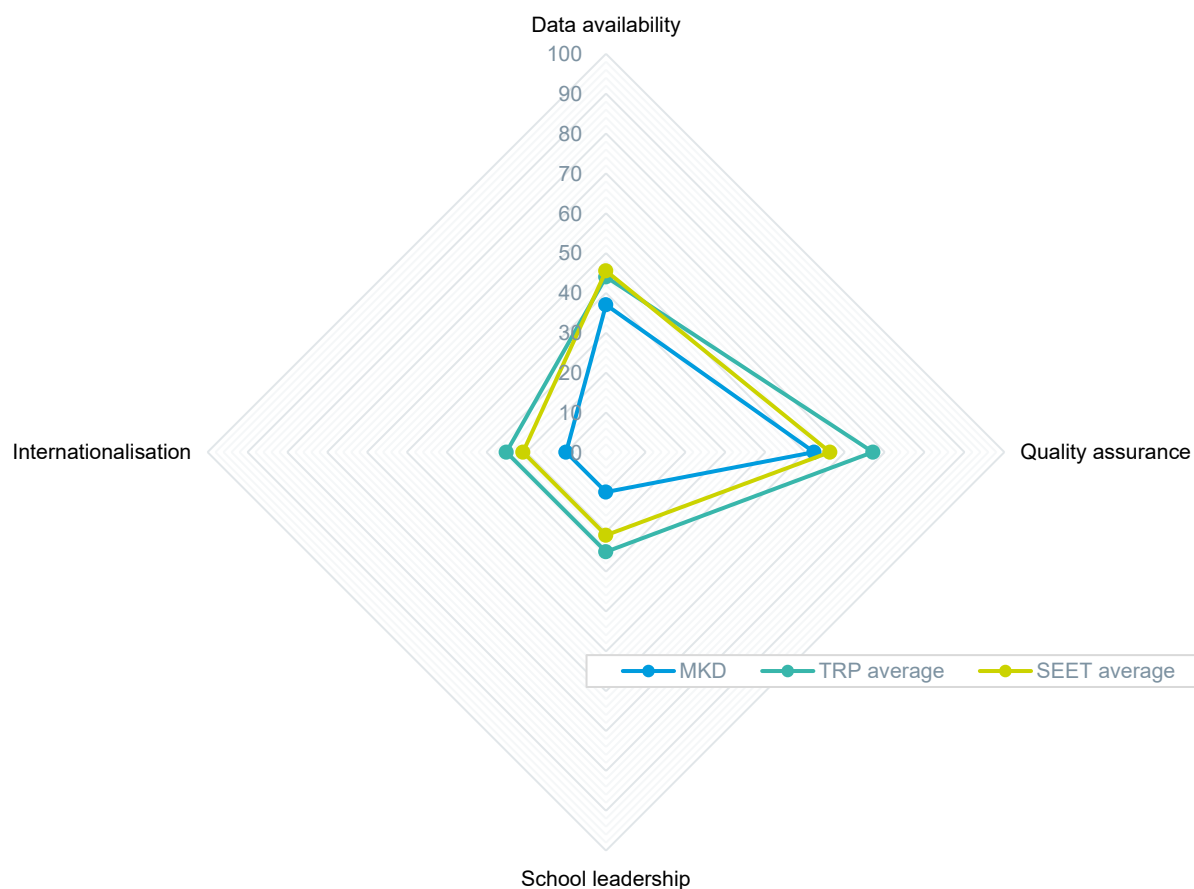
The expansion of dual education programmes and the introduction of new curricula, particularly in secondary electro-mechanical education centres, have intensified the demand for specialised vocational teaching staff. These developments, combined with increased practical teaching requirements, staff retirements and low salary levels, have created shortages of qualified electro-mechanical teachers. Low salaries, in particular, discourage experienced professionals from choosing to teach in vocational schools, which worsens the staff shortages further and hinders the effective implementation of new programmes in VET.

System steering and management

This section summarises system performance results in the domains of data availability, quality assurance, school leadership and internationalisation in VET in North Macedonia.

System performance in support of evidence-based policy making in VET (SPI of 50) is slightly above the regional (SPI of 47) and Torino Process (SPI of 38) averages in terms of data availability (Figure 4.6). Data coverage in education and training is extensive: according to the monitoring survey, North Macedonia regularly collects or has access to approximately 70-80% of international indicators typically available for education. Still, the National Development Strategy 2022-2042 emphasises the need to further improve the evidence base required to monitor progress in VET.

Figure 4.6 System steering and management – system performance index, selected dimensions, ETF partner countries and Torino Process average (2024)



Note: Theoretical index range: min/low performance=0, max/high performance=100

Source: ETF KIESE and Torino Process databases

Currently, responsibility for collecting and managing education-related data at national level rests primarily with the State Statistics Office (SSO). While North Macedonia has good overall data coverage, the range and reliability of indicators depend to a great extent on whether they are explicitly requested by national institutions, including the Ministry of Education and Science and the Ministry of Economy and Labour.

Performance in quality assurance (QA) in VET in North Macedonia (SPI of 80) is strong, well above regional and Torino Process averages (Figure 4.6). A detailed quality assurance framework is set out in the Vocational and Training Concept Paper 2025, which includes clear objectives, guidelines for stakeholder involvement, and evaluation processes combining internal and external quality assurance. North Macedonia also has regular monitoring and audits at provider level, and there are established procedures for recognising foreign qualifications and international cooperation on QA standards. However, quality assurance results are not always publicly accessible, which contrasts with the otherwise comprehensive framework that North Macedonia has established.

Unlike in the domains of data and quality assurance, the monitoring results for the professional capacity of school leaders in VET in North Macedonia are low (SPI of 10, Figure 4.6). According to the expert survey, there is a shortage of qualified administrative personnel, especially in rural and less attractive regions. In many schools, head teachers are approaching retirement age, while the recruitment of younger professionals into leadership roles remains limited. Most school administrators, despite extensive teaching experience, lack formal training in educational management, weakening their skills in strategic planning and leadership. Professional development opportunities in

management and financial oversight are rare and irregular, with occasional international programmes that are not systematically integrated into national training policies. Administrative constraints and limited autonomy further restrict school leaders' capacity to respond to local educational needs effectively.

Internationalisation of VET is another area with low results (SPI of 10, Figure 4.6). There is some participation in international initiatives such as Erasmus+, IPA and activities supported by the ETF, but access is uneven, with rural schools being particularly disadvantaged. Administrative constraints, language barriers and limited institutional experience with international projects restrict effective engagement. Additionally, there are no consistent mechanisms to monitor or evaluate the impact of international activities, nor is there any comprehensive training and support for staff involved.

ABBREVIATIONS

AEC	Adult Education Centre
ALMPs	Active labour market programmes
BDE	Bureau for Development of Education
BTA	Bulgarian News Agency
CG	Career guidance
CMS	Career management skills
CoVEs	Centres of Vocational Excellence
DWCP	Decent Work Country Programme
EBRD	European Bank for Reconstruction and Development
E4E	E4E
EC	European Commission
EQAVET	European Quality Assurance in Vocational Education and Training
EQVET credit	Credit System for Vocational Education and Training
ERP	Economic Reform Programme
ESARNM	Employment Service Agency of the Republic of North Macedonia
ESJS	European Skills and Jobs Survey
ETF	European Training Foundation.
EU	European Union
EU4Youth	Youth Employment and Entrepreneurship programme
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (German Corporation for International Cooperation)
HDI	Human Development Index

IB	International Baccalaureate
ICT	Information and communication technology
ILO	International Labour Organization
IMF	International Monetary Fund
IPA	Instrument for pre-accession assistance
ISCED	International Standard Classification of Education
JRC	Joint Research Centre
KIESE	Key Indicators of the Education System
LFS	Labour Force Survey
MoES	Ministry of Education and Science
NEET	Person not in education, employment or training
NQF	National Qualifications Framework
OAED	Austria's Agency for Education and Internationalisation
QA	Quality assurance
OECD	Organisation for Economic Co-operation and Development
PISA	Programme for International Student Assessment
PIRLS	Progress in International Reading Literacy Study
PPP	Purchasing Power Parity
RVETC	Regional Vocational Education and Training Centre
SEET	South Eastern Europe and Turkey
SPIs	System Performance Indices
TIMSS	Trends in International Mathematics and Science Study
TRP	Torino Process

UN DESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Emergency Fund
VET	Vocational education and training
VET centre	Centre for the Development of Vocational Education
VMRO DPMNE party	National conservative party
VNFIL	Validation on non-formal and informal learning
WBL	Work-based learning
YG	Youth guarantee

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