



PLAN for
**ECONOMIC
GROWTH**



Republic of Macedonia
Government of Republic of Macedonia



PLAN for
**ECONOMIC
GROWTH**

BUDGET PROPOSAL FOR 2018

**50 MILLIONS
EUR**

for economic development

an increase of 46%

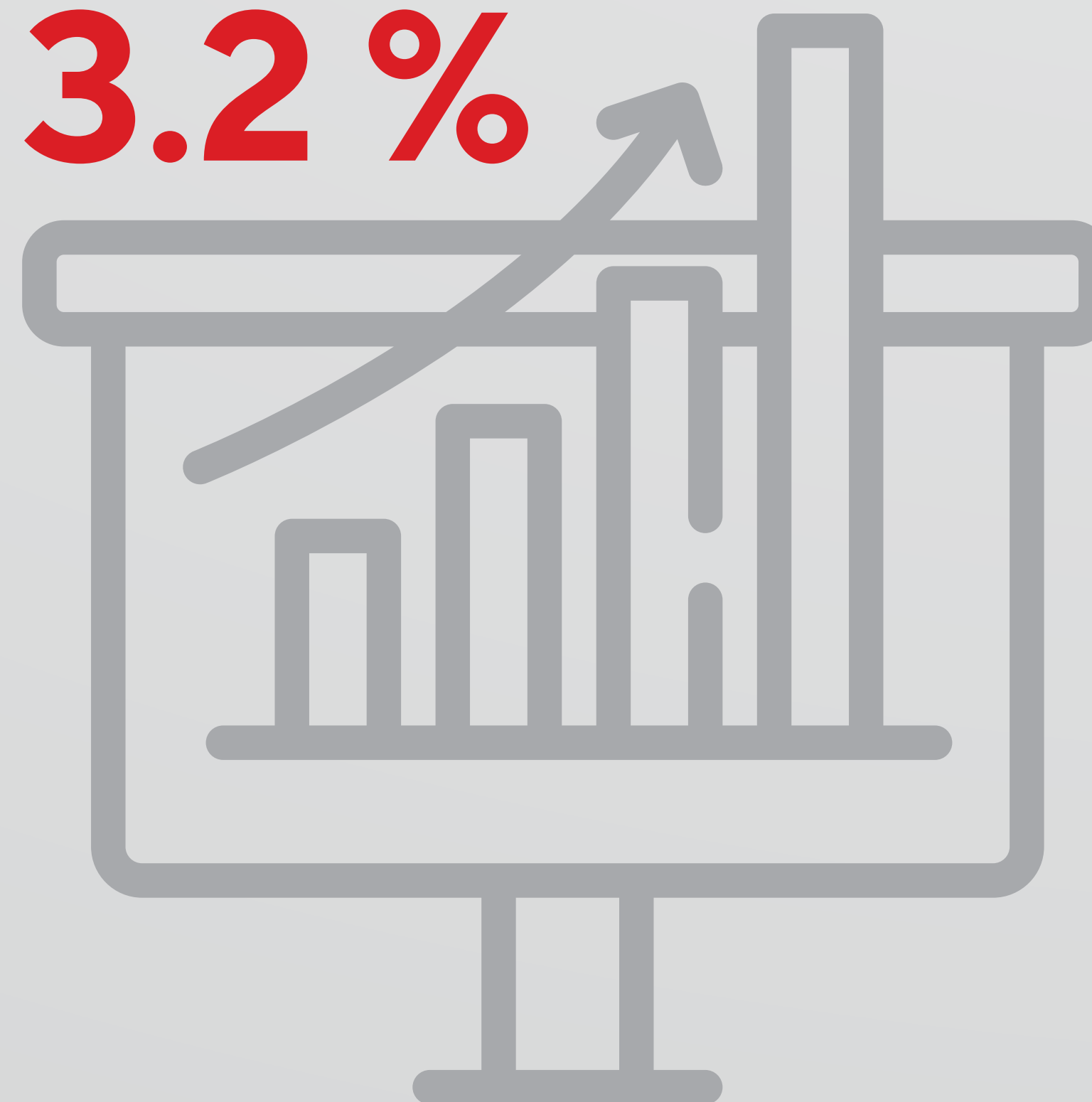
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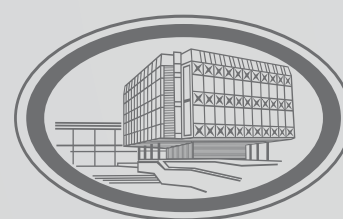
**16 MILLIONS
EUR**

for active measures
for employment

Projected
GDP growth

3.2 %



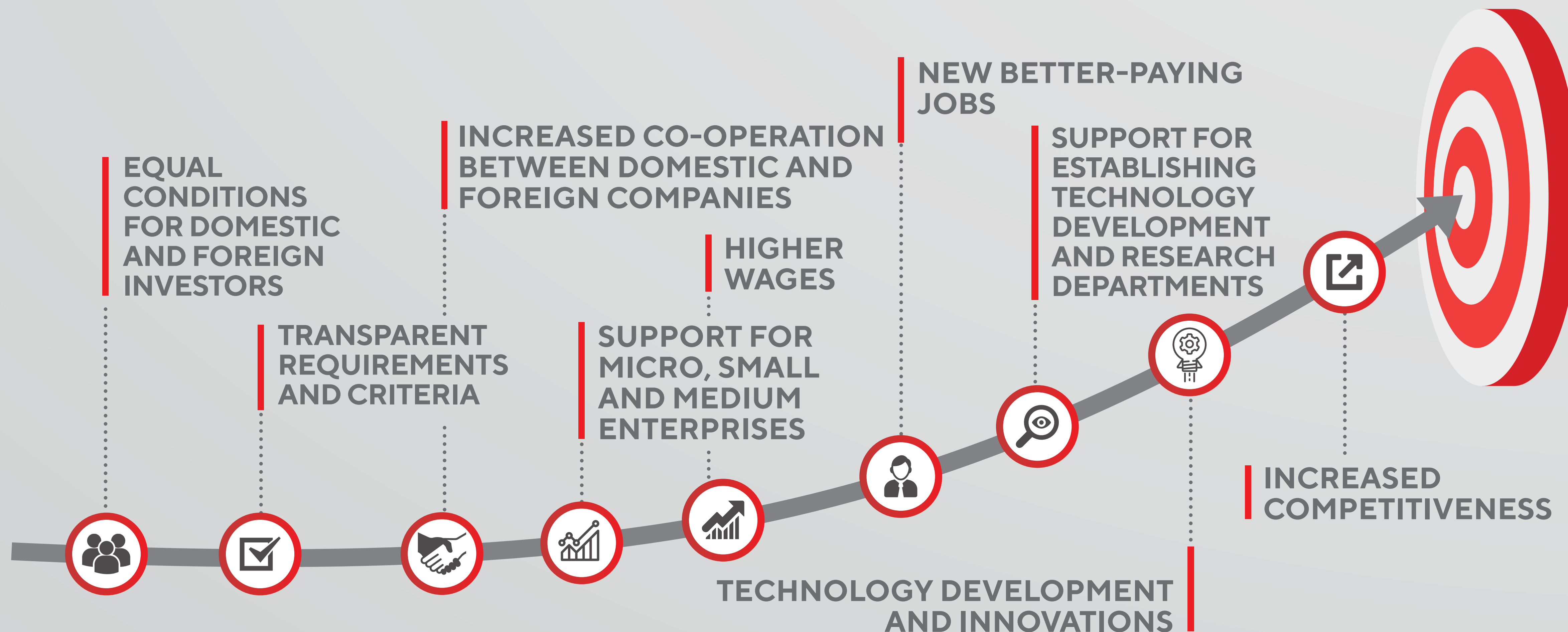


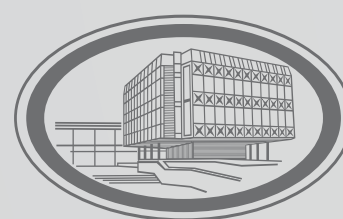
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PLAN FOR ECONOMIC GROWTH





PLAN FOR ECONOMIC GROWTH

PILLAR

1



- 1.1 New Jobs**
- 1.2 Increase of capital investments and income**
- 1.3 Technology development and research departments**
- 1.4 Cooperation with suppliers**
- 1.5 Acquisition of companies that are facing difficulties**
- 1.6 Investment projects of significant economic interest for the Republic of Macedonia"**

PILLAR

2



- 2.1 Growth of the competitiveness of companies for purposes of winning new markets**
- 2.2 Winning new markets and increase in sales**

PILLAR

3



- 3.1 Gazelles**
- 3.2 Support for micro and small enterprises**
- 3.3 Innovativeness**
- 3.4 Professional upgrade and practice for newly-employed young people**
- 3.5 Creating conditions and preparation of legal bases for development of venture capital**



APPLICATION REQUIREMENTS

1 REVENUE IN THE
LAST YEAR
> THE AVERAGE OF
THE LAST 3 YEARS

2 NUMBER OF EMPLOYEES
IN THE LAST YEAR
≥ THE AVERAGE OF
THE LAST 3 YEARS

(THIS CRITERION DOES NOT APPLY TO
COMPANIES IN THE TEXTILE AND
LEATHER INDUSTRY)

INELIGIBLE

- PUBLIC ENTERPRISES
- COMPANIES OPERATING IN
LICENSED ACTIVITIES
- LAWYER'S OFFICES, AUDITORY
COMPANIES, ACCOUNTING COMPANIES
- ENTERPRISES-BENEFICIARIES
OF AGRICULTURAL SUBSIDIES
- ENTERPRISES-BENEFICIARIES
OF CONCESSIONS
- BANKS, INSURANCE COMPANIES, FUNDS



PILLAR 1

SUPPORT FOR CREATING NEW JOBS

50%

MORE THAN
THE MINIMUM NET WAGE



**20% SUPPORT
PER EACH PAID NET WAGE**

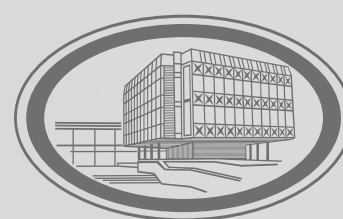
MAXIMUM AMOUNT:

1.800 EUR WAGE/MONTHLY OR
SUPPORT OF UP TO **4.500 EUR**
FOR EACH NEW JOB/ANNUALLY

CRITERIA

**AT LEAST 75% OF THE
NEWLY-EMPLOYED:**

- 1) HAVE BEEN REGISTERED FOR 3 MONTHS WITH THE AGENCY FOR EMPLOYMENT OF RM- ACTIVE JOB SEEKERS, OR
- 2) HAVE BEEN EMPLOYED FOR THE FIRST TIME, OR
- 3) THEIR PREVIOUS EMPLOYMENT WAS TERMINATED DUE TO LIQUIDATION OR BANKRUPTCY PROCEDURE, OR
- 4) ARE EMPLOYEES OF THE PUBLIC OR STATE ADMINISTRATION.



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PILLAR 1

SUPPORT FOR INCREASE OF CAPITAL INVESTMENTS AND INCOMES

10% RETURN OF INVESTMENTS FOR PURCHASE
OF NEW MACHINES AND EQUIPMENT
OR INVESTMENTS IN PREMISES OR LAND

MAXIMUM AMOUNT:
1 MILLION EUR

IN A PERIOD OF
5 YEARS

+10% FOR INVESTORS PART
OF THE MACEDONIAN DIASPORA



PILLAR 1

SUPPORT FOR ESTABLISHING TECHNOLOGY DEVELOPMENT AND RESEARCH DEPARTMENTS

50%

OF THE TOTAL JUSTIFIED COSTS
FOR INDUSTRIAL RESEARCH
OR MAXIMUM AMOUNT OF

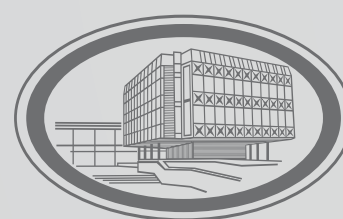
1 MILLION EUR

5 YEARS

JUSTIFIED COSTS

- 1) COSTS FOR INSTRUMENTS AND EQUIPMENT, OR
- 2) BUILDINGS AND LAND, OR
- 3) CONTRACTUAL RESEARCH, TECHNICAL KNOWLEDGE AND PATENTS, COSTS FOR CONSULTATIVE SERVICES
- 4) ADDITIONAL COSTS, OR
- 5) OPERATIVE COSTS

CRITERION:
PRIMARY ACTIVITY:
MANUFACTURING



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PILLAR 1

SUPPORT FOR ESTABLISHING AND ENHANCEMENT OF THE
COOPERATION WITH SUPPLIERS FROM THE REPUBLIC OF MACEDONIA

1%

OF THE VALUE OF THE TOTAL PROCUREMENTS
IF **15%** OF THE PRODUCTION INPUTS ARE
PROCURED IN MACEDONIA

MAXIMUM AMOUNT:
300.000 EUR/ANNUALLY
FOR A PERIOD OF 5 YEARS

VALID FOR

COMPANIES LOCATED IN
TIDZ, INDUSTRIAL ZONES,
NEW GREENFIELD INVESTORS



PILLAR 1

SUPPORT FOR ACQUISITION OF COMPANIES THAT ARE FACING DIFFICULTIES

10% OF THE INVESTMENT
UP TO 1 MILLION EUR

ONE-TIME
IN A PERIOD OF
1 YEAR

+10% FOR INVESTORS PART
OF THE MACEDONIAN DIASPORA

CRITERIA

- 1) RECOMMENCING THE ACTIVITY OF THE COMPANY
- 2) LACK OF CONNECTIVITY WITH THE ENTERPRISE
- 3) THE ENTERPRISE MUST HAVE HAD AT LEAST 50 EMPLOYEES
- 4) THE ENTERPRISE MUST CONTINUE DOING BUSINESS FOR AT LEAST 5 MORE YEARS



PILLAR 1

SUPPORT FOR INVESTMENT PROJECTS OF SIGNIFICANT ECONOMIC INTEREST FOR THE REPUBLIC OF MACEDONIA

UP TO
50%

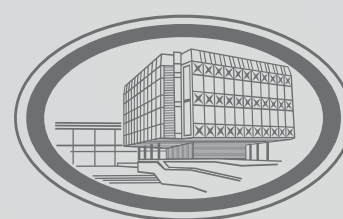
OF THE TOTAL COSTS,
IN ACCORDANCE WITH THE LAW
ON STATE AID CONTROL

CRITERIA:

- 1) PRIMARY ACTIVITY – MANUFACTURING
- 2) INVESTMENT OF OVER 20 MILLIONS EUR
- 3) INVESTMENT OF AT LEAST 4 MILLIONS EUR
AND AT LEAST 300 CREATED NEW JOBS

POSSIBLE FORMS

- 1) EXEMPTION FROM PAYING INCOME TAX ON
THE EMPLOYEES' WAGES, CITIZENS OF THE
REPUBLIC OF MACEDONIA (10 YEARS)
- 2) EXEMPTION FROM PAYING INCOME TAX OR
RETURN OF PAYING INCOME TAX (10 YEARS)
- 3) CASH GRANT AMOUNTING TO 10%
OF THE INVESTMENT, UP TO 61.5 MILLION MKD
(3 YEARS)
- 4) CASH GRANT PER EMPLOYEE WHO HAS A
WAGE OF AT LEAST 18.000 MKD (4 YEARS)



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PILLAR 2

**IRREVOCABLE FINANCIAL SUPPORT FOR THE COMPANIES WHICH
INCREASED THEIR COMPETITIVENESS ON THE MARKET**

10%

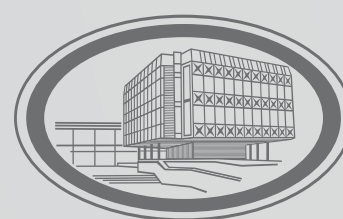
**OF THE INVESTMENT COSTS USED FOR
INCREASING THE COMPETITIVENESS
UPON THE MARKET**

+10%

**FOR INVESTORS PART OF
THE MACEDONIAN DIASPORA**

CRITERIA:

**5% INCREASE OF THE LEVEL OF
TRADE IN THE LAST 3 YEARS**



PILLAR 2

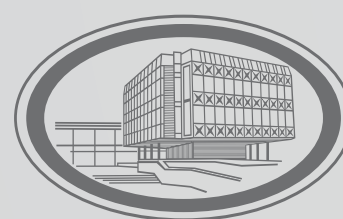
SUPPORT FOR WINNING NEW MARKETS AND INCREASE IN SALES

**CONTINUOUS IMPLEMENTATION
- TO EXHAUST THE MAXIMUM
AMOUNT PER USER**

20% OF JUSTIFIED COSTS
FOR WINNING
NEW MARKETS
(UP TO 30.000 EUR)

JUSTIFIED COSTS

- 1) SHARED (ORGANIZED) APPEARANCE ON FAIRS ABROAD
- 2) SHARED (ORGANIZED) APPEARANCE ON BUSINESS MISSIONS WHEN VISITING COUNTRIES
- 3 B2B MEETINGS WITH COMPANIES ON FOREIGN MARKETS
- 4) RESEARCH OF FOREIGN MARKETS COSTS FOR CERTIFYING THE PRODUCTS ACCORDING TO THE REQUESTS ON THE FOREIGN MARKETS
- 5) COSTS FOR BUILDING CAPACITIES FOR MARKETING APPROACH ON FOREIGN MARKETS (PREPARATION OF FLYIERS, CATALOGUES, BROCHURES, WEBSITE DESIGN)



PILLAR 3

SUPPORTING MICRO AND SMALL ENTERPRISES WITH FAST GROWTH TENDENCY („GAZELLES“)

30% OF THE DIRECT COSTS
(UP TO 160.000 EUR)

2 TIMES A YEAR
PUBLIC CALLS FOR
FINANCING PROJECTS FOR
TECHNOLOGY DEVELOPMENT OF MSE

REQUIREMENTS/CATEGORIES:

- 1) TRADE COMPANIES
- 2) MICRO, SMALL AND MEDIUM ENTERPRISES
- 3) ENTERPRISES WITH MINIMUM ANNUAL REVENUE OF 50.000 EUR
- 4) PAID OFF DEBTS

ACTIVITIES

- 1) ACCEPTING AND IMPLEMENTING EUROPEAN TECHNICAL REGULATIONS REGARDING PRODUCT SAFETY
- 2) QUALITY CERTIFICATES
- 3) ANALYSIS, PREPARATION, ACQUISITION AND PROTECTION OF INDUSTRIAL AND INTELLECTUAL OWNERSHIP RIGHTS
- 4) ENERGY EFFICIENCY
- 5) PROTECTION OF THE ENVIRONMENT
- 6) WASTE MANAGEMENT SYSTEMS
- 7) INFORMATION SYSTEMS
- 8) EQUIPMENT AND PLANTS

**IN A PERIOD OF 24 MONTHS GROWTH OF
THE NUMBER OF EMPLOYEES FOR 20% AND
ALSO OF THE TOTAL REVENUE FOR 20%**



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PILLAR 3

ADDITIONAL FINANCIAL SUPPORT FOR MICRO AND SMALL ENTERPRISES

30%

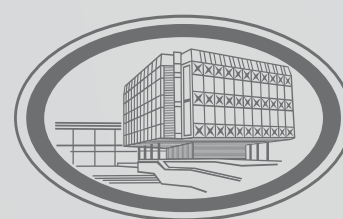
OF THE DIRECT COSTS
(UP TO 80.000 EUR)

2 TIMES A YEAR

PUBLIC CALLS FOR
FINANCING PROJECTS
FOR TECHNOLOGY
DEVELOPMENT OF MSE

CRITERIA

- 1) TRADE COMPANY
- 2) 5 TO 50 EMPLOYEES
- 3) MINIMAL ANNUAL REVENUE
OF UP TO 50.000 EUR
- 4) PAID OFF DEBTS



PILLAR 3

SUPPORTING SMALL AND MEDIUM ENTERPRISES FOR IMPROVEMENT OF THE INNOVATION

UP TO **70%**
OF THE DIRECTS COSTS FOR
INVESTMENTS, BUT NO MORE
THAN 320.000 EUR

2 TIMES A YEAR
PUBLIC CALLS FOR INNOVATIONS

CRITERIA:

- 1) TRADE COMPANY
- 2) MICRO, SMALL AND MEDIUM ENTERPRISE (UP TO 250 EMPLOYEES)
- 3) IN MAJORITY OWNERSHIP (50.1%+) OF INDIVIDUALS CITIZENS OF THE REPUBLIC OF MACEDONIA
- 4) DEBTS MUST HAVE BEEN SERVICED

ACTIVITIES

- 1) ELABORATION OF TECHNICAL- TECHNOLOGICAL ASPECTS IN THE DEVELOPMENT AND INTRODUCTION OF NEW PRODUCTS OR SERVICES
- 2) SIGNIFICANT IMPROVEMENT OF EXISTING PRODUCTS OR SERVICES
- 3) CREATION OF NEW FASHION COLLECTIONS
- 4) PREPARATION OF INDUSTRIAL DESIGNS OR REDISIGNING THE PRODUCTS
- 5) CREATING NEW PACKAGES
- 6) CREATING MARKET PLANS

**IN THE 60 MONTHS AFTER THE PROJECT COMPLETION,
OBLIGATION TO RETURN 5% OF THE ANNUAL REVENUE
BUT NO MORE THAN 120% OF THE SUPPORT GRANTED**



PILLAR 3

SUPPORT FOR PROFESSIONAL UPGRADE AND PRACTICE FOR NEWLY-EMPLOYED YOUNG PEOPLE

30%

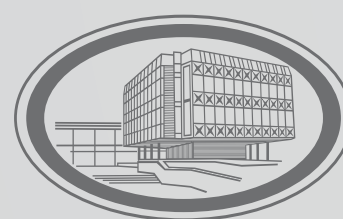
OF THE COSTS FOR TRAINING
AND PROFESSIONAL UPGRADE
OR UP TO 15.000 EUR

ACTIVITIES:

PROFESSIONAL UPGRADE
AND PRACTICE IN THE
COMPANY-APPLICANT OR
ANOTHER COMPANY

CRITERIA

- 1) TRADE COMPANY
- 2) MICRO, SMALL AND MEDIUM ENTERPRISE WITH UP TO 250 EMPLOYEES
- 3) AT LEAST 5 EMPLOYEES
- 4) REVENUE OF 50.000 EUR
- 5) TRAINING AND PROFESSIONAL UPGRADE FOR PEOPLE OF UP TO 29 YEARS OF AGE WHO HAVE BEEN EMPLOYED FOR AT LEAST 6 MONTHS



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PILLAR 3

**CREATING CONDITIONS AND PREPARATION OF LEGAL BASES
FOR DEVELOPMENT OF VENTURE CAPITAL**

FUND FOR EQUITY AND MEZZANINE – DECISION FOR FUNDING INVESTMENT

25% OF THE VALUE OF THE
APPLICANT'S OWN FUNDS
OR UP TO 480.000 EUR



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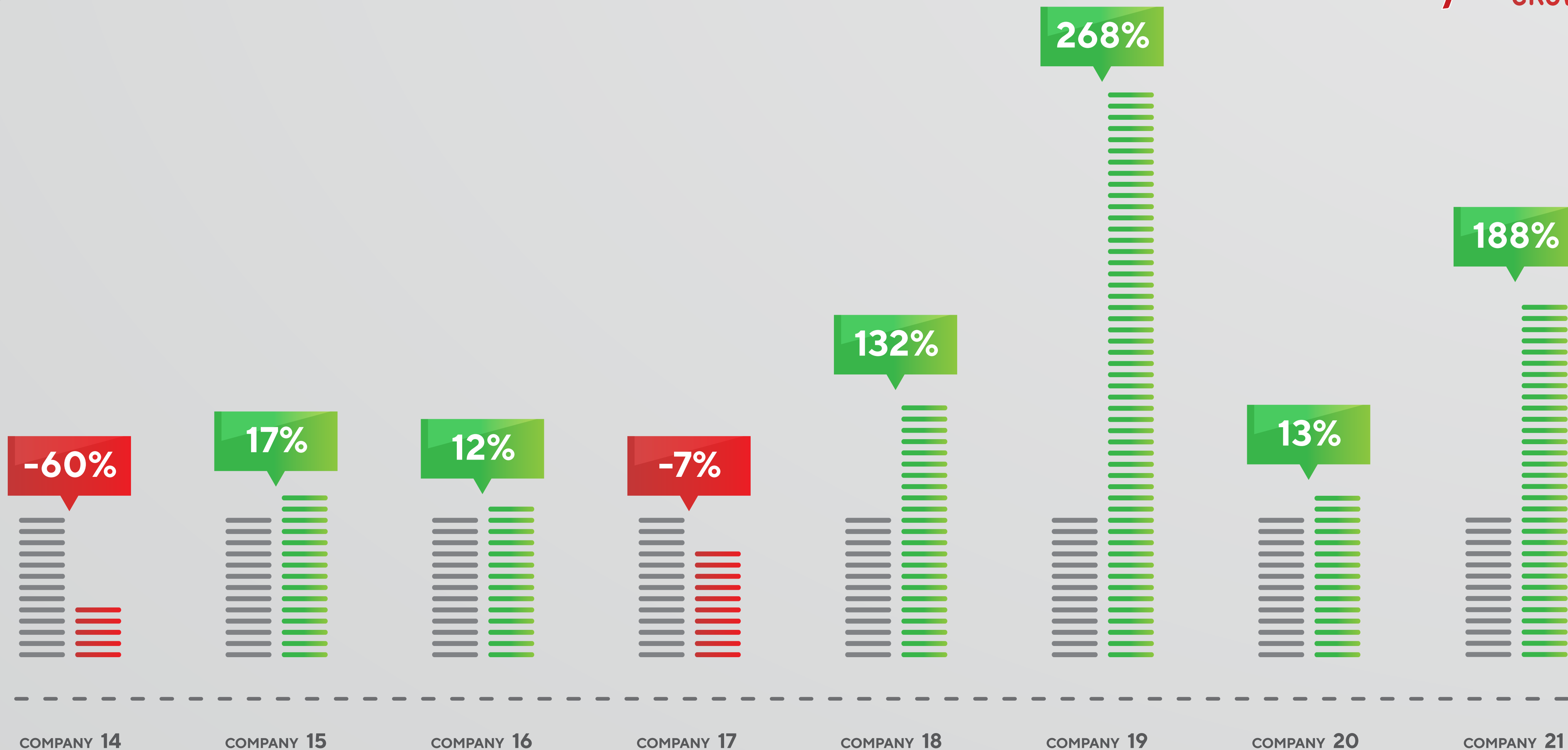
SOURCE: DTIDZ



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SOURCE: AFIEP