Measures of the industrial policy on stimulating investment and competitiveness of the North Macedonian economy
PLAN FOR ECONOMIC GROWTH

I. Equal conditions for domestic and foreign investors
II. Transparent requirements and criteria
III. Increased co-operation between domestic and foreign companies
IV. Support for micro, small and medium enterprises
V. Higher wages
VI. New better-paying jobs
VII. Technology development and innovations
VIII. Support for establishing technology development and research departments
IX. Increased competitiveness
SUPPORT MEASURES

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 capita
At least 75% of the newly-employed:

1. Have been registered for 3 months with the Agency for employment of the Republic of North Macedonia – 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.

1.1 SUPPORT FOR CREATING NEW JOBS

50% more than the minimum net wage
20% support per each paid net wage

Maximum amount: €1,800 wage/monthly or support of up to €4,500 for each new job/annually

1.2 SUPPORT FOR INCREASE OF CAPITAL INVESTMENTS & INCOMES

10% return of investments for purchase of new machines and equipment or investments in premises or land

Maximum amount: €1M in a period of 5 years
+10% for investors part of the Macedonian diaspora

1. The beneficiary must not decrease the average number of employees and the incomes of the operation beyond the average in the previous 3 years or for a shorter period depending on the date on which the company was established or commenced its operation.
2. The beneficiary must maintain the investment for at least 5 years after full completion of the investment project.
Pillar 1

1.3 TECHNOLOGY DEVELOPMENT AND RESEARCH DEPARTMENTS

50% of the total justified costs for industrial research or Maximum amount of €1M – 5 years

Justified costs:
Costs for instruments and equipment; Buildings and land; Contractual research, technical knowledge and patents; costs for consultative services; Additional and Operative costs

1.4 COOPERATION WITH SUPPLIERS FROM THE REPUBLIC OF NORTH MACEDONIA

1% of the value of total procurements if 15% of the production inputs are production inputs are produced in North Macedonia

Maximum amount: €300,000 annually for a period of 5 years

1. Must have grown in incomes of the activity and must not lower the average number of employees,
2. Primary activity manufacturing,
3. To maintain the average number of jobs for which they used return of the net wages from the measure for a period of at least 3 years as of the last year for which assistance was paid.
1. Planned amount of investment of more than €20M;
2. Planned amount of investment of at least €4M and at least 300 new jobs;
3. Other investment projects which the Government of the Republic of North Macedonia will assess, in pursuance with clearly defined criteria with a special act, following a Decision for investments of significant economic interest for the Republic of North Macedonia;
4. Primary activity-manufacturing.

1.5 ACQUISITION OF COMPANIES THAT ARE FACING DIFFICULTIES

10% of the realized investment up to €1M
One-time pay-out within 1 year
+ 10% for investors part of the Macedonian diaspora

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

Up to 50% of the total costs, in accordance with the law on state aid control

Possible forms:
A. Exemption from paying income tax on the employees wages, citizens of the RNM (10 years)
B. Exemption from paying income tax or return of paying income tax (10 years)
C. Cash grant amounting to 10% of the investment, up to 61.5 million MKD. (3 years)
D. Cash grant per employee who has a wage of at least 18,000 MKD. (4 years)
   • 300 persons: 2,000 EUR per position
   • 300 - 500 persons: 3,000 EUR per position
   • 500 - 1000 persons: 3,500 EUR per position
   • 1,000 - 2,000 persons: 4,000 EUR per position

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 2

2.1 Irrevocable Financial Support for the Companies Which Increased Their Competitiveness on New Markets

10% of the investment costs used to accomplish this increase
+ 10% for investors part of the Macedonian diaspora

Measure A: Return of 10% of the investment costs for increase of the competitiveness on new markets;
Measure B: Return of 20% of the investment costs for increase of the competitiveness on the WB6 countries’ markets.

2.2 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)

1. Measure A: increase of the market realization on the new market in the year for which they apply, for at least 5% more compared to the average for the last 3 years;
2. Measure B: increase of the market realization on the new market in the year for which they apply, for at least 5% more compared to the average for the last 3 years,
3. Increase of the average number of employees and the incomes from the activity and operations beyond the average for the last 3 years or for a shorter period, depending on the date on which the company was established and started its operation.

1. The beneficiary must mark an increase of the average number of employees and the incomes from the activity and operations beyond the average for the previous 3 years or for a shorter period, depending on the date on which the company was established or started its operation.
3.1 SUPPORTING MICRO AND SMALL ENTERPRISES WITH FAST GROWTH TENDENCY (“GAZELLES”)

30% of the direct costs, but no more than 162,000 EUR per applicant.

3.2. ADDITIONAL FINANCIAL SUPPORT FOR MICRO AND SMALL ENTERPRISES

30% of the direct costs, but no more than 81,300 EUR per applicant.

3.3. SUPPORTING MICRO AND SMALL ENTERPRISES FOR IMPROVEMENT OF THE INNOVATION

Up to 70% of the acceptable direct costs, but no more than 325,200 EUR per applicant.

1. Trade company
2. Micro, small and medium enterprise (up to 250 employees);
3. Enterprise with minimum annual income of 48,780 EUR in the previous year as of the year when it was applied for support;
4. The debts of the company must be serviced according to the agreed payment terms.

1. Trade company
2. 5 to 50 employees
3. Minimal annual revenue of up to 50,000 EUR
4. Paid off debts

1. Trade company
2. Micro, small and medium enterprise (up to 250 employees)
3. In majority ownership (50.1% or more) of individuals – citizens of the RNM.
4. The debts of the company should be serviced
3.4. PROFESSIONAL UPGRADE AND PRACTICE FOR NEWLY-EMPLOYED YOUNG PEOPLE

Up to **30%** of the acceptable direct costs, but no more than **16,260 EUR** per applicant.

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

Up to **25%** of the value of the applicant’s own funds, but no more than **487,800 EUR** per applicant.

**Criteria:**

1. Trade company
2. Micro, small and medium enterprise (up to 250 employees)
3. With minimum 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

1. Fund for equities and mezzanine; the Government will adopt a decision for funding investment
2. trade company established according to the Law on trade companies and registered in the Central Registry of the Republic of North Macedonia
3. Micro, small and medium enterprise (up to 250 employees).