

# Emerging MACEDONIA

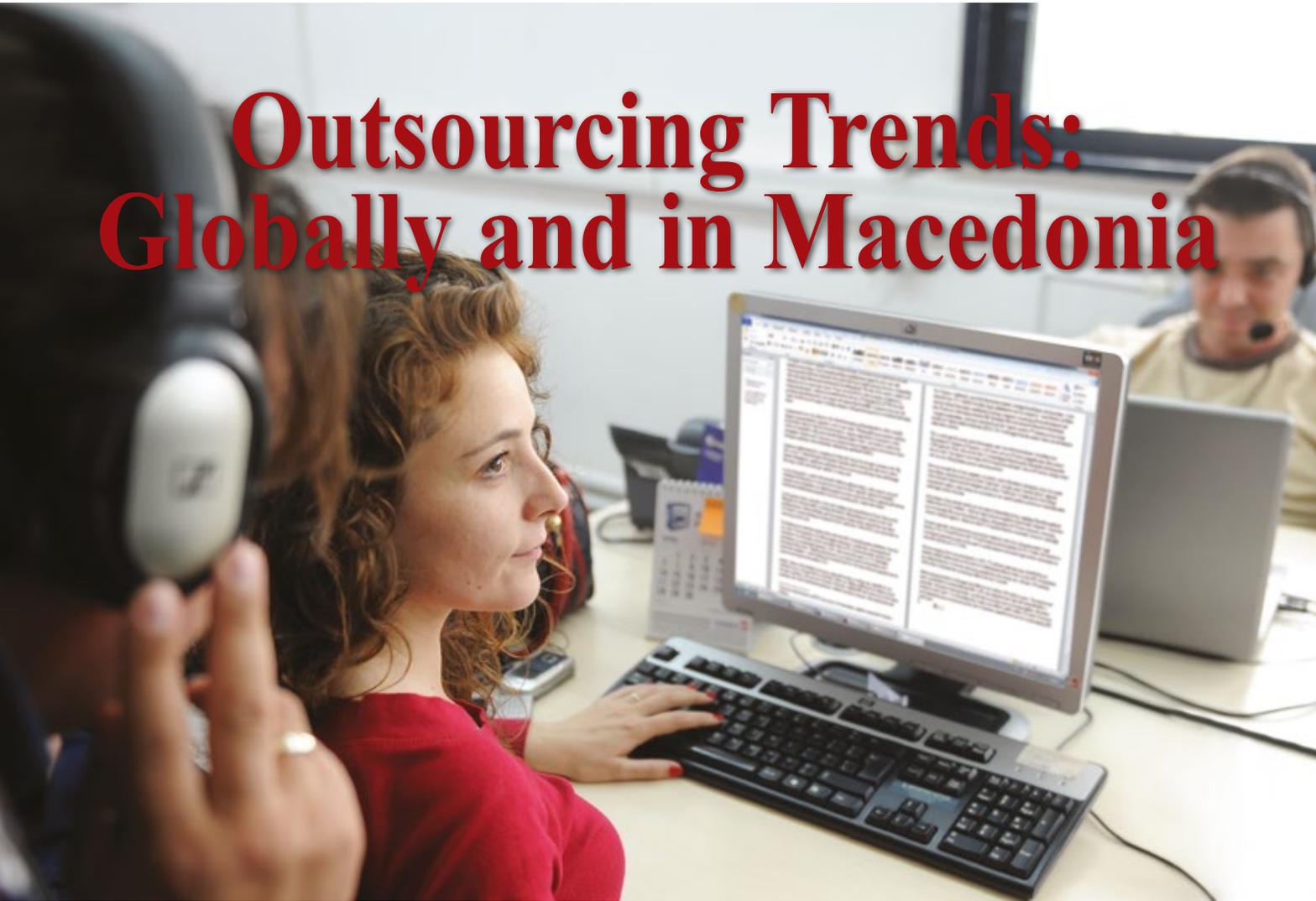
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*of the American Chamber of Commerce  
in Macedonia*

## Outsourcing Trends: Globally and in Macedonia



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*Local Accounting & Auditing Practices*

**Financial Discipline Implementation Advances**

*Latest Legal Changes*

*Report on Company Giving Practices in Macedonia*



# Do Great Things





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## Dear AmCham Macedonia members and friends –

Welcome to the fall 2015 edition of *Emerging Macedonia*. I hope you'll find our coverage of outsourcing trends useful for your organization. While this is certainly one of the busiest periods in the fiscal year as well as in the private lives of our readers, I'm glad you found time to tune into some of the hot topics garnering attention among our members.

It was a pleasure to host so many members for our annual general assembly just a few weeks ago. Those present benefitted from inspiring speeches from U.S. Ambassador Baily as well as our Board President, Miroslav Marchev. Also, I'm confident the new members of our Board of Directors will help create a very dynamic, creative and impactful year ahead.

On our events calendar still to come this year are our traditional Thanksgiving gathering as well as our annual holiday party. Even with these primarily social events, we hope to make an impact on the local community by again raising funds to support the Red Cross' "Think of Us" campaign against hunger. We also plan to pull off another unique holiday party combining several great American traditions: jazz, delicious holiday food and American beverages. If you ask fellow members about last year's party, I'm sure they'll encourage you to join us and bring your spouse, clients, business partners and government contacts. Don't miss it!

With best wishes for an enjoyable and safe holiday season,

**Michelle Osmanli**

Executive Director

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# Outsourcing Trends: Globally and in Macedonia

By Chris Deliso

Throughout its extended campaign to attract foreign investment, Macedonia has positioned itself as an ideal location for outsourcing, with an educated, multilingual population and competitive labor costs. And outsourcing-related jobs have increased in the country following the global economic downturn, corresponding with technological advancements and increased cost cutting pressure. The value of the country's computer and information services exports grew almost 70 times between 2000-13, while the number of employees in computer programming, consultancy and related services shot up 123% between 2010-13!<sup>1</sup> However, this growth has been driven more by local company development than by big FDI. In response to this trend, the country should increase its support of existing companies offering outsourcing services to both local and foreign clients.

A comprehensive new study, Deloitte's 2014 Global Outsourcing and Insourcing Survey, shows a notable change in corporate behavior compared to even two years earlier. Whereas global macroeconomic conditions had previously indicated a trend towards insourcing (i.e., using an organization's own personnel or other resources to accomplish a task), more recent developments appear to show "a net increase in outsourcing consumption," Deloitte noted. "Customers are no longer focusing on bringing services back in house, but are focusing on optimizing vendor relationships and improving operational flexibility."

Increases in market demand for outsourcing have historically been driven, the report continues, in the 'Big Four' sectors: IT, Human Resources, Procurement, Financing and Accounting. But other sectors such as Facilities

<sup>1</sup> Switzerland Global Enterprise-SIPPO, Gap Analysis 2015 presentation. Analysis conducted by Valentina Nushkova

Management, Legal Process and Business Process outsourcing (including Claims and Mortgage Processing) are also expected to grow globally in coming years.

In terms of geography, countries with educated workforces, stable governance, solid currencies and good technological infrastructure are also projected to see growth. This is especially important for emerging economies such as Macedonia, as worldwide competition is fierce and the rise of cloud computing and real-time interface have ended former geographical restrictions, increasing global competitiveness further.

In 2014, populous India continued to be the world's leading outsourcing destination. Poland, China and the Philippines are other large-market outsourcing destinations, with promising newcomers in recent years including Romania, Mexico and Brazil, and wider expansion in Latin America tipped for the years ahead. Cybersecurity



concerns and enhanced data protection laws (particularly within the EU), may put pressure on outsourcing activities there.

The Deloitte survey found that corporate clients cared more about outsourcing partner performance than their cost. A full 72% of respondents said offshore supplier performance was their main outsourcing-related consideration. Cost advantage was the second major factor, at 44%. Customer perception and time zone considerations were rated equally important, at 28%, while social beliefs came in at 17%. Particularly interesting for Macedonia – which has played up heavily government incentives and assistance in its promotional campaigns – was the finding that government incentives were seen as the least important factor in corporate outsourcing decision-making (11%).

Globally, Finance and Accounting outsourcing is expected to increase in coming years, especially in ‘non-traditional locations.’ In Legal Services, meanwhile, E-Discovery, Billing and Research and Analysis are the sub-sectors most likely to become more outsourced. Meanwhile, traditional HR sub-sectors such as Call Centers (something from which Macedonia has particularly benefited) should also increase, with Administration and other HR sub-sectors expected to increase even more, with between 20-40% of global respondents anticipating to step up their outsourcing ventures in separate Administrative sectors. Tier I Customer Service is expected to grow at an even higher rate, according to Deloitte.

The IT Sector – traditionally, one of the Macedonian economy’s strongest beneficiaries of outsourcing – is also expected to rise. IT is “typically the single largest administrative cost for companies,” notes Deloitte, and labor costs have always been

## Countries with educated workforces, stable governance, solid currencies and good technological infrastructure are also projected to see growth.

activities” already caused a 47% increase in the average monthly net wage per employee between 2010-14. This would suggest that the country’s labor cost advantage is under serious pressure.

This is a real cause for concern, given the extremely small size of the local industry. According to the Macedonian ICT Chamber of Commerce, in 2013 there were just 539 active companies here with a total of 2,586 employees. Today, there are less than 15 outsourcing providers located in Macedonia advertising their services online. They appear to have teams of 10-40 employees and largely focus on IT services, though at least a few are also offering business process outsourcing services.

However, the small size of local companies can actually work to Macedonia’s advantage. In fact, the current trend of large corporations moving away from “mega-deals” towards a more “portfolio-driven” approach reflects the more sophisticated and variegated nature of the IT field today. To make up for a lack of large organizational capacity, small startups can concentrate on very specific products and services to find their niche in the larger sectoral ecosystem.

In the absence of any national statistics on local usage of outsourcing services, AmCham Macedonia gathered feedback from 16 of its members – which are larger and more competitive than average companies – about their use of outsourcing. The survey found that the majority of respondents (62.5%) have long-term outsourcing contracts with local suppliers, whereas the other 37.5% reported that they occasionally outsource work locally.

## Increased demand for Macedonian “computer programming, consultancy and related activities” already caused a 47% increase in the average monthly net wage per employee between 2010-14.

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# Outsourcing and Customer Service

Author: CMX Solutions

Outsourcing was not formally identified as a business strategy until 1989. It started with the use of external suppliers for essential but ancillary services and it wasn't until the 1990s – as organizations began to focus more on cost-saving measures – that support services like customer care call centers began to be outsourced. Outsourced customer service has now become an integral part of businesses that emphasize customer service.

Though lowering costs has most often been the initial driver for companies to outsource their call centers, the benefits of outsourcing are many:

- **Maintaining service level while cutting costs** – Leading service providers have the expertise to maximize customer relationships while minimizing costs. If customer interaction quality and experience drop, customer relationships can be damaged, reducing loyalty and sales.
- **Increasing revenue per customer** – Customer service was

**Outsourced customer service has now become an integral part of businesses that emphasize customer service.**

once considered cost center, but many organizations now realize that investment in customer segments opens up new revenue opportunities and those people who directly support customers are most able to maximize customer value. A good service provider can help generate revenue by improving metrics such as first-call resolution, average handle time, customer satisfaction (e.g. Net Promoter Score) as well as the company's upselling and cross-selling results.

- **Reducing customer churn** – Every customer interaction is an opportunity to build a brand and strengthen customer relationships. A customer service provider's core competency is customer care services; the best have been serving customers for decades and have learned how to maximize customer relationships using creative programs, highly-trained agents and cutting edge CRM techniques and technologies. By providing consistent and accurate handling of customer contacts and incorporating strong tracking and reporting capabilities, contact centers can help improve brand loyalty and retain the most profitable customers.
- **Increasing flexibility and scalability** – Service providers have the capacity to absorb dramatic demand shifts through their existing technology and human resources, enabling quicker ramp-ups and ramp-downs than in-house call centers.



Outsourcing customer care is taking the pressure off the core business, allowing companies to focus their internal resources on what they do best. Today, **more organizations outsource customer care because it is so important** and want to have it done by someone whose core business is customer service.

Outsourcing customer care to a professional provider can also benefit customers. The dedicated customer service organizations are driven by a passion and strategy to ensure excellent customer experiences and to generate happy customers.

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*Outsourcing and Customer...  
continued from page 9*

And that is definitely easier done when such processes are delivered by a specialized organization, than by some dedicated in-house call centers in companies where the customer service is not the core business.

Business models that outsource customer care are far from mainstream in Macedonia. This is probably largely due to the relatively recent local recognition of customer care as an indispensable company function.

However, as local companies are faced with constantly increasing competition and pressure to optimize processes while ensuring customer satisfaction as a competitive advantage, business practices are bound to evolve.

CMX Solutions Skopje is a German company that provides outsourced customer care call centers mainly for German companies, but is also active in other European markets. Currently, we support our clients in seven languages (German, Italian, French, Spanish,

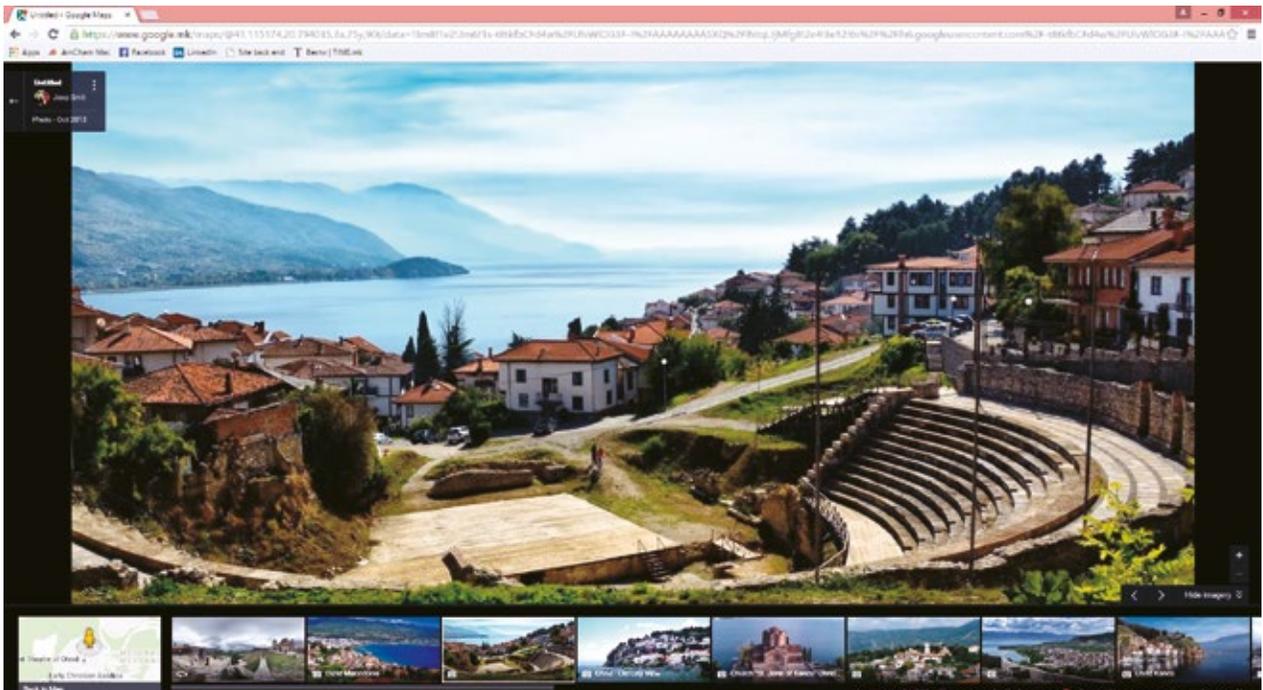
Dutch, Portuguese and English). Our strategy is to develop long-term client relationships by constantly improving their customers' experience to increase their competitive advantage in the markets in which they operate. Our services are also available to Macedonian companies, who stand to gain from the know-how and experience we have gathered while working for Western European clients.



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## Google Street Views of Macedonia

A number of local media reported in early October that the Google Street View Gallery of Macedonia now features over 360 panorama images of the country's biggest tourist destinations, including Skopje, Bitola, Ohrid, Mavrovo, Ros-tusa and Lake Ohrid (pictured here).



# Advice for First-Time IT Outsourcers

Authors: Goce Micevski, Acquisitions Integration Manager, and  
Blagoj Kupev, Vice President for Embedded, Seavus

Following the trends on the global markets, at some point, all companies usually ask themselves is it possible to outsource or near-source part of their IT-related work.

Using resources from external suppliers used by small, middle-sized, and large companies as well. If a company has never outsourced before, several aspects should be taken in consideration:

## 1. Defining the reason for outsourcing

There is more than one reason to outsource. One of them is to increase the market competitiveness by cutting costs. Another reason is to partner up with a company that can support the growth from a technology perspective (sometimes, it can be highly

expensive to build and keep the tech knowledge in-house, especially if it is not the core business).

## 2. Outsourcing only part of the business

The company can have a product, or process that can be outsourced. But, what part will be outsourced? Certainly, the risk of outsourcing everything from day 1 should be avoided, so preparing working plan would help the process. In the software development industry, the vendors are capable of providing consultants who can help their clients decide on this issue, and they can also provide whole teams for product development and support on all levels. That way, the clients can focus solely on their business.



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# САКАМ ПАК! СКОПСКО ЦРЕША

Мими Поп-Алексова  
Атанасовска  
Примабалерина



*за нас!*

### 3. Establishing metrics and expected outcome

One of the benefits when outsourcing is costs cutting. So, it is wise to focus on doing more with less - regardless if it means more features of the product developed and delivered, increasing the speed of releases (release optimization), etc. The client should establish metrics and set expectations upfront, in order afterwards to measure outcome and align accordingly.

### 4. Defining the investment and preparing for the new team on board

Regardless of the reasons for outsourcing, the organization should be aligned and prepared for a new team on board. The team coming from the outsourcing company will learn the client's values, mission, and vision over time, and will leverage their growth. At first, the team needs to be properly guided, it can become highly effective and independent. Preparing onboarding and integration plan is a good step forward.

### 5. Defining the skills the outsourcing team should possess

Outsourced companies look for a highly efficient outsourcing team. However, the word "efficient" does not mean "cheap", but a fine-tuned team that can do the work quickly and with a high quality.

Besides high technology skills, the outsourcing team must possess skillsets for flawless communication, while being self-driven, and independent, able to propose better approaches to the established solutions, and willing to collaborate with remote teams, consisting of people with various background and cultural habits.

The non-technology related skillsets are usually called "Soft skills" and refer to the excellent communication, presentation, time management, mentorship and teamwork skills.

The need of excellent social skills is mandatory when working with mixed teams, since the technology knowledge has to be properly channeled and efficiently applied to the project.

In addition to the social skills, it is very important for the team members to be skilled in

working with remote teams spread across the globe. In such setup, well-developed communication skills and the use of advanced communication tools are essential.

*First-Time IT Outsourcers...  
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### 6. Set effective communication

The outsourcing companies usually have their offices on different continents, working in different time zones. This means that diverse teams can be expected to join on board, consisting of people from different countries with different languages and cultures and of different ages and backgrounds. To overcome the differences between High and Low context Cultures, the client should look for a partner that is willing to invest in trainings for employees, foreign language courses, transfer of culture and informal rules.

Significant percentage of the engineers working for outsourcing companies, belong to the Generation Y, are technology-driven and accustomed to diverse channels of communication (Skype, Viber, Facebook Messenger, Twitter, and many more). In order to facilitate their knowledge and streamline it to achieve excellence, both the outsourcing company and the client should embrace these new ways of communication. This means that they should easily agree on the channels of communication, and enable simple, straight, focused and effective communication.

Further on, at the beginning of the cooperation the teams working from both sides must agree on a communication plan and follow it, although it can be constantly reviewed and updated according to the current needs.

Based on the preferred methodology (Scrum, Sprint), the outsourcing team must adapt the communication, facilitate the development process, and involve the team for a certain reason, responsibility and expectations.

In conclusion, careful planning and proper process management will lead to goal achievement and therefore guarantee the success of any outsourced project.

**“Efficient” does not mean “cheap”,  
but a fine-tuned team that can do the  
work quickly and with a high quality.**

# Why IT outsourcing?

Author: Infinite Solutions

The trend of cost cutting encourages big and small companies to outsource as much as possible and focus on their core business. Recent studies<sup>1</sup> have revealed that a majority of senior managers viewed their IT departments as cost centers rather than strategic resources. They also perceived their internal IT as being outdated, inflexible, expensive, unmanageable and lacking in customer orientation. As IT becomes an increasingly crucial part of every business, more and more companies consider transferring their IT assets, leases and staff to third parties that promise savings and to keep up-to-date with IT.

Outsourcing skeptics should consider the following facts:

- Outsourcing specialists must be well trained and up-to-date to survive;
- Outsourcing companies can offer a wide range of resources, skills and capacities while internal IT staff may be limited;
- Companies often hire outsourcing companies in order to easily increase or decrease manpower in line with current needs without jeopardizing their reputation as a stable employer. This primarily benefits project-based companies where employee downtime regularly occurs;
- Outsourcing reduces the need to invest in capital and noncore business functions, thus making capital funds available for more core areas;
- Outsourcing lowers operating costs; and
- Outsourced project risk is shared by two companies instead of only one.

Though there are a lot of benefits, there are also some **disadvantages of the outsourcing**, such as:

- Given that IT evolves very fast, signing long term contracts is very risky;
- Outside vendors may not always achieve the responsiveness and service levels offered by an in-house team;

- Outsourcing often results in rationalizations or transfer of staff to the outsourcing company, this can lead to bad company morale;
- Outsourced engagements are restricted by contracts which discourage “scope creep”, making them less flexible than in-house teams;
- Managers can feel uncomfortable with the fact that they do not have the staff, knowledge and/or the operational software/hardware under their direct possession and control.

However, in the long run and with well-defined contracts, all of the above concerns can be eliminated.

## Macedonian Companies' ICT Usage

The State Statistical Office recently released some interesting data on the usage of ICT by companies working here. Namely, the following data points refer to 2015 usage trends for companies with 10 or more employees:

- 93.5% have a broadband Internet connection
- 59.1% access the Internet via a portable device using mobile telephone network (3G/4G); 11.4% of their employees did so for business reasons
- 49.8% had at least one social media user profile, account or license
- About 52% had a website, out of which 16.4% featured online orders, reservations or booking
- 17.7% used ERP software; and
- 21.6% used CRM software.

In terms of actual e-commerce, in 2014, just 7.7% of these companies bought or sold goods or services online.

<sup>1</sup> For example: <https://www.efst.hr/management/Vol17No2-2012/2-Alexandrova.pdf> and [http://www.teis-workshop.org/papers/2012/03%20vc\\_cost\\_center\\_or\\_profit.pdf](http://www.teis-workshop.org/papers/2012/03%20vc_cost_center_or_profit.pdf)



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# Finance and Accounting Outsourcing

Author: Srdjan Randjelovic, Director, KPMG Macedonia

Since the global financial crisis, we have been witnessing that many local and international companies are under a sustained pressure to reduce costs as a way to improve profitability. One way to do this is by outsourcing some of the back office processes, such as finance and accounting, in order to lower costs and simultaneously deliver higher value to the business.

In its publication “Strategic Visions on the Sourcing Market”, KPMG’s Shared Services and Outsourcing Institute argues that while cost reduction is the main reason for outsourcing, it unquestionably is not the only one. Other reasons include the benefit of access to more qualified talent and expertise by outsourcing certain back office processes. The availability of experienced professionals brings more efficient and effective results and improves the general performance of the company itself. The publication further elaborates that although the cost cutting goals through outsourcing have been achieved, the next generation of outsourcing contracts will need to focus on global process standardization and optimization.

Historically, in Macedonia outsourcing of the accounting function has generally been used by smaller and/or individually owned companies which have not been able to afford an in-house accounting function. As regards larger multinationals with a local presence, there has been a recent trend for regrouping and establishing regional centers for support of the back office functions of the companies within the group, mainly driven by the pressure for cost cuttings. This regionalization may lead to the need for local accounting and compliance expertise in a number of jurisdictions, which may not be available to a regional center but may be obtained by outsourcing to local experts.



## 6 Members Win National CSR Awards

- Vitaminka won an award in the Employee Relations category
- Makstil & EVN Makedonija won awards in the Ethical Management category
- Komercijalna banka Skopje won an award in the Customer Relations category AND the award for Most Inventive Practice
- Cementarnica USJE won an award in the Environmental Protection category
- NOVA International Schools won an award in the Investing in the Community category

# Local Accounting & Audit Practices

It's critical that companies working in Macedonia are aware of the gaps between regulations on paper and in practice. While much local legislation is now aligned with international practice, compliance with and enforcement of these regulations can vary widely. This lack of legal certainty increases company risk when engaging local service providers, forming local partnerships and more.

Unfortunately, assessing and tracking implementation of a law is much more difficult than simply verifying its existence. A report published earlier this year by the World Bank Centre for Financial Reporting Reform<sup>1</sup> provides a number of useful insights along this line on the Macedonian accounting and auditing sphere. Some of its findings of particular interest to business people working here might include:

- While banks, insurance companies and other public interest entities (PIEs) generally publish

<sup>1</sup> Report on the Observance of Standards and Codes on Accounting and Auditing. Downloaded from: <https://openknowledge.worldbank.org/handle/10986/21873>. The points in this article have been extracted and paraphrased from the Executive Summary, pages iv-viii.

financial statements of higher quality, some other entities - especially enterprises of small and medium size - fail to meet relevant requirements and publish financial statements with limited or inadequate disclosures. Better reporting quality was generally observed for entities audited by firms from international audit networks.

- 2009 standards (IFRS, IFRS for SMEs and ISA) are applied here, which are not in full compliance with the current international standards.
- Some areas of the statutory framework are not fully aligned with the *EU acquis*. For example, the threshold for SMEs is very low here.
- Smaller companies here face greater financial reporting and audit requirements than their European peers. All companies are required to prepare financial reports, even micro enterprises.
- The legal definition of PIEs is unclear.
- The extent and depth with which regulators monitor and enforce financial reporting requirements remain uneven, but have increased over the last 12 years. The report cites the Securities and Exchange Commission as lacking enforcement power and capacity in this area.
- Macedonia's Institute of Accountants and Certified Accountants hasn't been operational since late 2012, but chief accountants in the private sector are legally required to be members. Meanwhile, the Ministry of Finance has been certifying accountants.
- Universities offering accountancy and audit education face difficulties in updating their curricula and providing an education that would better serve market needs.
- A Council for the Advancement and Oversight of Audit was created in 2012 but it still lacks staff and technical capacity to be able to properly oversee the audit profession.

## Assessing and tracking implementation of a law is much more difficult...

NEW MEMBER



Ohridska Bank, Inc. Skopje

Ohridska Banka AD Skopje is a universal banking institution with a wide range of banking services in the country and abroad. In May 2007, Ohridska Banka A.D. Skopje concluded a strategic partnership with Societe Generale and become a member of Société Générale Group (70.02% ownership). With a clear vision for

SOCIETE GENERALE GROUP

development and efficient management, the Bank has grown into a modern financial institution of universal type with a widespread network of branches, with a wide range of financial services, sophisticated information technology, defined strategy and highly professional personnel, trained to perform complex banking operations. As part of our strategy, we constantly advance the quality of our services and we are fully dedicated to meet the needs of our clients.

# Getting to Know Dirk Vlierboom, General Manager of Marriott Skopje

For 5 years now, Skopje has awaited the opening of a Marriott on its main city square. As construction nears completion, the hotel's newly arrived GM tells *Emerging Macedonia* what to expect.<sup>1</sup>

**EM:** Please tell us a bit about your organization generally as well as the Marriott project in Skopje.

**Vlierboom:** Marriott International, Inc. (NASDAQ: MAR) is a leading global lodging company based in Bethesda, Maryland, USA, with more than 4,100 properties in 79 countries and territories and reported revenues of nearly \$14 billion in fiscal year 2014. The company operates and franchises hotels and licenses vacation ownership resorts under 18 brands. For more information or reservations, please visit our website at [www.marriott.com](http://www.marriott.com), and for the latest company news, visit [www.marriottnewscenter.com](http://www.marriottnewscenter.com).

With regards to the Skopje project, we will have 164 well-appointed rooms (minimum size 30 sqm and 40 interconnecting rooms), including 21 Suites and an Executive floor & Lounge. Our Presidential Suite is 184 sqm of luxury and offers a separate 50 sqm meeting room with simultaneous translation. In addition there will be a Health Club featuring a 9 meter indoor pool, Jacuzzi, 4 different types of saunas, numerous relaxation zones, a gym with state of the art Technogym equipment and a spa featuring 3 treatment rooms, manicure, pedicure and hair dressing services (pre-ordered).

Our public areas will host the Marriott Great room which will lead into our Day & Night bar and our street accessible restaurant and Terrace featuring our market place, live cooking and wood fired grill. On the first floor we will have a selection of meeting rooms (some divisible) with natural daylight and state of the art AV equipment and introducing Marriott's new Meeting Concept.

<sup>1</sup> NOTE: This press release contains "forward looking statements" within the meaning of U.S. federal securities laws, including statements about the number, locations and opening dates for new hotels, and similar statements concerning anticipated future events and expectations are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to a number of risks and uncertainties, including supply and demand changes for hotel rooms; competitive conditions in the lodging industry; relationships with franchisees and property owners; the availability of capital to finance hotel growth; the receipt of governmental and other consents, and other risk factors identified in Marriott International, Inc.'s most recent quarterly annual report on Form 10-K; any of which could cause actual results to differ materially from those expressed in or implied by our statements. These statements are made as of the date of this press release, and we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.



Continued on page 23

# “Financial Discipline” Implementation Advances

AmCham recently gathered feedback from 26 companies to gauge the impact of Macedonia’s Law on Financial Discipline, originally adopted almost 2 years ago. The key findings included:

- 65% of respondents said the Law had had “no significant impact” on their business; 27% said “Bad debt collection has gotten more difficult”;
- 65% of respondents said they expected the Law to have “No significant impact” in 2015-16;
- 81% of respondents said they did not believe the misdemeanor provisions defined in the Law are appropriate and justified;
- 50% of respondents said that the exclusion of State institutions and public enterprises from the Law’s provisions negatively impacted their companies liquidity in some way; and
- 53% of those respondents who said that have outstanding claims from a State institution have claims that have remained unsettled for up to 180 days.

The Law limits the ability of companies to set their own invoice payment terms and introduces new penalties

for late payers. Businesses have complained that the Law was vague, overlapped with other laws and confused key terms, thereby lessening their sense of legal certainty. This was further exacerbated by a delay of 11 months for the release of the Law’s official guidelines.

## The Law limits the ability of companies to set their own invoice payment terms and introduces new penalties for late payers.

The Law was subsequently amended in December 2014 to define the inspection procedure, clarify the implementation period as well as precisely which transactions would be impacted. However a number of business’ concerns remained unaddressed.

While the Law obligates the Public Revenue Office (PRO) to begin carrying out payment-related inspections this year, the Ministry of Finance (MoF) responded that it cannot provide data on such activities until at least mid-2016. However, AmCham has confirmed

that the PRO now requires all notaries to notify them when they notarize an invoice that remained unpaid longer than 60 days. Financial Discipline-related inspections that are independent from notary notifications are scheduled to start in 2016. Thus, there is no sign that the Government intends on recalling this Law, as they have with a number of others this year.

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# Latest Legal Changes

This summer, Macedonian parliament adopted a number of legal changes that could have significant impact on businesses working here. The changes relate to misdemeanor fines, the efficiency of public services and the cancellation of a very unpopular measure that had been in force just 8 months.

## Misdemeanor Law

Though the proposed changes to the Misdemeanor Law entered parliament in June 2014, they weren't adopted until a year later, in July 2015 in response to criticism that severe misdemeanor fines were partially to blame for the failure of local businesses.

According to the changes, business fines would be adjusted according to the following formula:

$$\begin{aligned}
 & \mathbf{10-70\% \text{ of mandated fine depending on} } \\
 & \mathbf{\text{previous year's annual revenue}} \\
 & \quad + \\
 & \mathbf{5-20\% \text{ of mandated fine depending on the \#} } \\
 & \mathbf{\text{of employees}} \\
 & \quad + \\
 & \mathbf{10\% \text{ of the mandated fine if \underline{not} the} } \\
 & \mathbf{\text{company's first offense}} \\
 & \quad = \\
 & \mathbf{\text{Amount of fine to be levied}}
 \end{aligned}$$

This means that if the legally-mandated fine for a misdemeanor is €5.000, a first-time offender company with 9 or fewer employees and <€8000 annual revenue would pay just €750; while a company with previous infractions, annual revenues of >2 EUR million and more than 250 employees would pay the full €5.000.

Companies that have more than 250 employees and generate annual revenue of at least 100 million denars and were not previously sanctioned will pay the full amount of the fine.

The Law also allows State institutions to warn offending companies, rather than automatically levy a fine for every infraction.

## Law on Litigation Procedure

In the official justification for the proposed amendments to the Law on Litigation Procedure, the Ministry of Finance explained they were made in line with

recommendations from the World Bank's *Doing Business* Report. The changes include a requirement that all State institutions respond more quickly to requests from companies involved in court proceedings, to allow them to build their case with evidence held by State institutions, including courts.

## Law on the General Administrative Procedure

The new Law on the General Administrative Procedure obligates all State institutions to provide faster, simpler, effective and cost efficient services to citizens. In the upcoming period, all State institutions will need to align their legal structure with the new Law, to shorten their service response times and avoid unnecessary service delays.

The Law systematically applies a "one stop shop" principle to all public services for the first time. This means that when a client requests a service from a State institution, it will be required to request the required inputs (e.g., data, documents) from all other involved institutions on behalf of the client within 3 working days. It also obligates the other involved State institutions to respond to such intra-institutional requests within 3 days.

## Law on Mandatory Social Contributions

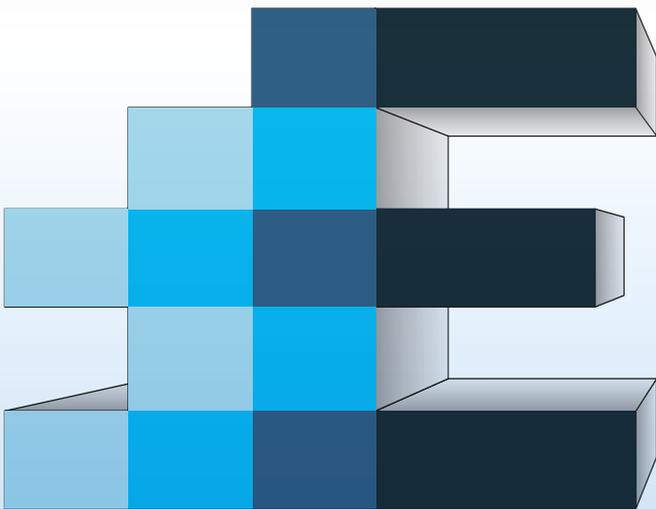
After just 8 months of enforcement, in late July, the Macedonian Government decided to recall the Law on Mandatory Social Contributions. The Law required companies registered in Macedonia to pay full income taxes and social insurance contributions on behalf of consultants who provide services to them, even for a single day. When compared with the VAT on services provided by companies (18%), this policy (amounting to 35% in taxes and insurance) discouraged companies from engaging individual consultants – local or foreign – for any service whatsoever.

Upon recalling the Law, Macedonia's Minister of Finance said that the Law had been found to reduce the effectiveness of other Government measures aimed at increasing employment in the country. Meanwhile, public debate has now turned to whether and how contractors who paid increased social contributions during the brief validity of the Law might get their money back.

# ECOTIP

**Ecotip Ltd. Skopje is established in 1998 in partner relations with Ecotip Ltd. from Republic of Slovenia.**

Str. Orce Nikolov 190-3/5, 1000 Skopje,  
Republic of Macedonia  
Tel. +389 (2) 3176 920  
Fax. +389 (2) 3177 206  
E-mail: info@ecotip.com.mk



## **The company is specialized in:**

- Air and liquid filters and filtration
- Transmission and transmission elements
- Industrial oils and lubricants
- Process engineering
- Trade in stainless steel and aluminum
- Professional protective equipment
- Trade in enological products

**ECOTIP**  
Partners:

**ECOTIP**

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DICALITE®

Ammeraal Beltech  
Member of a world of safety

BWF Group

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ipros®

TRM FILTER.

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PALL

3M

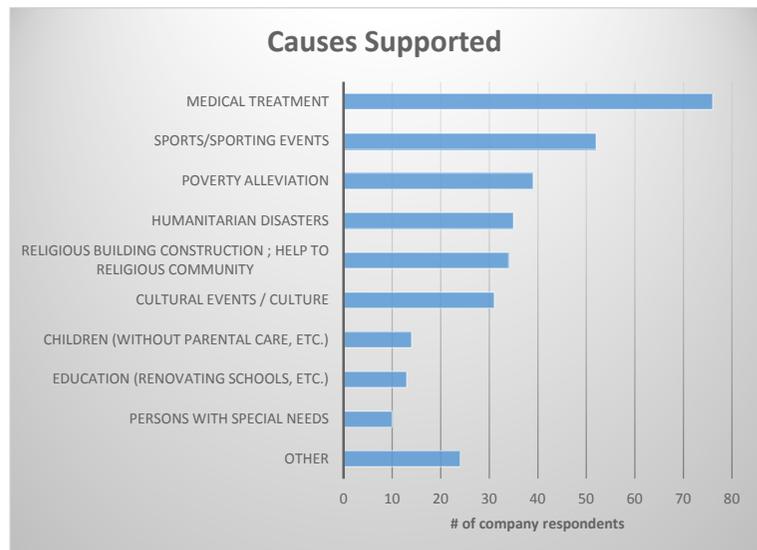
SCHIKI

# Report on Company Giving Practices in Macedonia

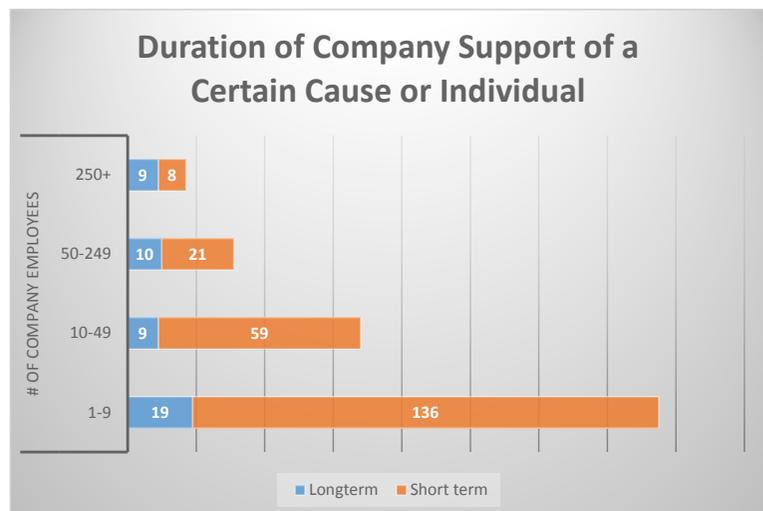
AmCham member, Konekt, recently published very interesting research on cooperation between the civil and business sectors in Macedonia.<sup>1</sup> For example, the report shows that:

- almost half of local companies receive requests for donations and almost 1/3 of them receive up to 10 requests per year;
- the number of donation requests companies receive directly correlates to their size;
- 88% of companies said that they receive most donation requests from individuals, not organizations;
- 52% of companies said they had received donation requests from sports clubs; 50.7% for support of cultural events;
- Local religious organizations target companies as part of their fundraising strategies;
- Organizations for culture, sport and religion target big companies, while individuals seek donations from companies of all sizes;
- Most company donations are funds, 1/3 are products and only small portion are services. Usually, companies donate products/services from their own line of production or field of work. But some companies confirmed that they also donated items such as home appliances, when requested.

The following chart shows the various causes that companies said they support, the largest single cause being donations for individual medical treatments.



Only 17% of surveyed companies responded that they continuously support the same individuals or causes. The Konekt report also concludes that a very small number of the country's largest companies have strategic documents or procedures related to corporate philanthropy. As shown below, roughly half of the largest organizations that responded to the survey said they support the same cause or individual on a long term basis, while just 12% of the smallest companies said they did the same.



<sup>1</sup> Read the Research: Истражување на ставовите, верувањата и практиките за прибирање на ресурси и соработката помеѓу граѓанските организации и приватниот сектор, available at: <http://donirajpametno.mk/wp-content/uploads/2015/06/Broshura-MKD.pdf>.

# New Report on European Directors' Duties and Liabilities Released

"... The assumption that a director can't be liable if he or she acted in good faith is changing. It's no longer going to be a reasonable defence for a European board member to say 'I didn't intend for this to happen'. Instead he or she must be able to state: 'I implemented a good system and reasonable processes to guard against this,'" said Roger Barker, Chair of the ecoDa/AIG Working Group, Director of Corporate

Governance, IoD at the promotion of the latest Report produced in cooperation with the American International Group, Inc.

Read the Guide to Directors' Duties and Liabilities available at:

[http://ecoda.org/uploads/media/ecoDa\\_Directors\\_Duties\\_Final\\_01.pdf](http://ecoda.org/uploads/media/ecoDa_Directors_Duties_Final_01.pdf)

*Outsourcing Trends...  
continued from page 7*

The most commonly outsourced services among these companies were

in line with global trends: Legal Services (75%), IT-related Services (68.75%) and Financing and Accounting (56.25%). Further, this breakdown of anticipated outsourcing needs over the next 12 months tended to hold steady (legal services outsourcing was expected to fall the most, to 55.56%).

Of those companies that outsourced regularly in 2014, 77% said they spent more than 16,000 EUR on it. Internal or global business factors do not seem to be affecting this behavior either, as some 60% of respondents have affirmed that they will increase outsourcing

expenditure in the coming year, with only 13% reporting definite plans to decrease their outsourcing budget in the next 12 months.

Global outsourcing trends would suggest that while the local industry will continue to grow. The trend toward narrow specialization in outsourcing (especially in IT), cost-competitiveness, legal risk and predictability – particularly with respect to data protection – are all other factors that local outsourcing suppliers will need to navigate in order to grow. To avoid making their journey more difficult, policy makers will need to focus more on fundamental business environment policies that will increase competitiveness and less on attracting big FDI in this space.

*Dirk Vlierboom,...  
continued from page 18*

On the second floor will be our elegant Ballroom with an incredible chande-

lier seating for up to 420 people for a sit down dinner and changeable LED lighting.

**EM:** What have been some of your first impressions of Skopje's business environment and approach to hospitality?

**Vlierboom:** Once I knew I would be coming to Skopje I researched the internet to find out a little bit more about the city, country and customs. When I arrived I was impressed by the airport facilities, the friendliness of many of the people I had contact with and the fact that many of them spoke English. Within the hospitality industry there is quite a varied selection of hotels on the market and a very good choice of restaurants and dishes. The portions are very generous and very reasonably priced. Some items featured on the menus

tend to be continuously unavailable, which sometimes is disappointing. With regards to service in general it tends to be inconsistent. I have been to the same restaurant several times and each time had a different meal experience.

**EM:** Tell us something about your career and background.

**Vlierboom:** I am a Dutch national but have only lived in the Netherlands for 5 years...a very long time ago. I have been very fortunate that my Dad's job took us abroad (he worked for Shell International and Occidental Petroleum) and then my work took me abroad. I have worked in hotels in England, Russia (Moscow, St. Petersburg and Samara), Kazakhstan and now Macedonia. I enjoy running and have had the chance to complete numerous long distance runs and am aiming to do at least the Skopje Half Marathon next year... maybe even the Marathon.

# 15<sup>th</sup> Annual General Assembly

“AmCham truly is the most active foreign or domestic business association in Macedonia. AmCham isn’t just advancing the particular interests of member companies. You are encouraging improvements in the business climate to make Macedonia a more attractive and profitable place for everyone to do business,” with this inspiring message, Ambassador Baily opened the 15<sup>th</sup> AmCham Annual General Assembly, that was held on Wednesday, October 14<sup>th</sup>,



▲ Ambassador Baily

2015. AmCham’s Board President, Miroslav Marchev, then encouraged members to increase their engagement in AmCham’s advocacy efforts, particularly to increase policy-makers’ attention on improving the local business environment and predictability as well as input to draft legal texts. He said, “I am confident that if the business sector is given earlier the opportunity to provide comments on draft legal texts as well as to discuss ideas for improvement of the business environment regulation it will be of common benefit.”

The working part of the Assembly was led by AmCham’s Executive Director, Michelle Osmanli. She presented the year in review report, highlighting the impressive number of activities and projects completed in the past 12 months in all AmCham advocacy areas.



▲ Miroslav Marchev, AmCham’s Board President



▲ Michelle Osmanli, AmCham’s Executive Director,



▲ Maja Filipceva, GA Chair

Led by appointed GA Chair, Maja Filipceva, over 67 member companies then officially confirmed 14 new members that applied for membership in the last 12 months, including:

- Alvogen Pharma Macedonia
- Architectural studio EDNA Skopje
- CBS International Skopje
- CMX Solutions Skopje
- Euroins Insurance Skopje
- Facility Management Services Skopje
- Kemet Electronics Macedonia
- MI-DA Grand Motors Skopje
- Monet Technology Services
- Nielsen Audience Measurement
- NORA - NGO for Rheumatism and Arthritis
- Ohridska Bank Skopje
- TDK Computers Skopje
- Temporary Work Agency Motivi Skopje

The GA also adopted 15 amendments to AmCham's bylaws recommended by the Board of Directors to



prevent conflicts of interest, consistency and transparency in decision making and membership rights.

Finally, the General Assembly elected 3 new members to the Board of Directors and reelected one member. Thus, Board members with a 2015-17 mandate are:

- Stefan Peter, Management Board Chairman, EVN Macedonia;
- Borka Petrovska, Administration Manager, Feni Industries, Kavadarci;
- Sonja Todorova, Public Affairs and Communications Manager, Pivara Skopje; and
- Selim Simbil, General Manager, Wabtec MZT Skopje.

**Congratulations and happy birthday, AmCham!**





# CSR Program Design and Management Workshop

For the second time this year, AmCham organized a CSR program design and management workshop, this time in cooperation with the Macedonia Red Cross, providing a local perspective on CSR programming. The event gathered CSR practitioners from 20 member companies. The group discussed companies' current programs as well as challenges finding capable partners. Topics covered by the Red Cross presentation included:

- What makes a good CSR program for your organization?
- Why and how to choose a partner
- What to expect from your partner during program implementation and completion)

All agreed that continuous cooperation between the business sector and local community organizations will improve



▲ From left: Saso Talevski, Macedonian Red Cross; Michelle Osmanli, AmCham Macedonia; Sait Saiti and Ljupka Petkovska, Macedonian Red Cross.

both the quality of implemented programs as well as increase the professionalism of local NGOs.

The Red Cross team used this occasion to receive direct feedback from the business side, regarding their projects and activities and proposals for future improvements and directions. All of the participants said that the gathering either met or exceeded their expectations and gave high scores to the speakers and the format of the event.



# Neighboring AmCham EDs Visit

This September, the Executive Directors from AmChams in Albania, Kosovo and Montenegro visited Skopje to learn more about AmCham Macedonia's membership and advocacy approach, as well as the country's business environment overall. The visit was one of a series of similar activities organized by the regional AmChams (including Serbia) to increase cooperation in a number of spheres toward benefitting all members.

On September 16<sup>th</sup>, over 60 AmCham member representatives attended a networking cocktail in honor of the three Executive Directors. A number of guests said they appreciated the opportunity to make personal contact with AmChams in other markets where they worked.



▲ From left Arian Zeka, AmCham Kosovo; Lorenc Gjoni, AmCham Albania; Miroslav Marchev, PricewaterhouseCoopers Skopje; Ralitsa Guberova, Euroins Insurance; and Driton Zairi, Mi-Da Motors.

# to Boost Member Benefits



While in Skopje, the group visited AmCham Patron member, **Alkaloid**, who's CEO, Zivko Mukaetov, presented the company's international strategy and accompanied the group on a tour of the company's production and research and development facilities in Skopje.

The group also visited AmCham Patron, **Pivara Skopje**. The host, Sonja Todorova, Public Affairs and Communications Manager, presented the company's history and regional developments in addition to introducing the group to Commercial Manager, Wietse Mutters. Finally, the group was treated to a sampling of Pivara's offering and a personal tour by Beer Production Manager, Kiro Stojanov.



On September 17<sup>th</sup>, Igor Velkovski from the Macedonian Agency for Export Promotion hosted the directors for an interactive discussion on investment trends and benefits of investing in Macedonia.

Finally, our regional guests were hosted by AmCham member, **Johnson Matthey**, one of the country's most impressive new FDI operations. Manufacturing Director, Barry Kessler, was kind enough to spend almost 2 hours with the group, increasing everyone's understanding of their operations and impact on the local economy.



# Strengthening Students' Communication Skills

Increasing the number of quality internships is one of the main goals of our internship program, "Open a Door". In addition to enhancing students' soft skills and helping companies find driven students, the program helps students from low income households gain practical work exposure.

On Saturday, September 12th, our member, Motiva Management Education and Training Center, led a half-day training on "How to Present Yourself on the Labor Market" for 18 "Open a Door" students at Pivara Skopje's training facilities. The session was opened by Mr. Ranko Bezar, Manager of Motiva's Training Centre and led by Ms. Ana Umerova, Human Resources Development Specialist at Motiva, who highlighted the importance of well-developed individual and communication skills for job searching.



▲ Ranko Bezar, Manager of Motiva's Training Centre

The session was tailored for this particular group and included the following themes:

- How to enhance your communication skills;
- How to work as a team; and
- How to deal with criticism.

In the second part of the program, students were divided into groups to find common skills that could strengthen their group, but also the skills that differentiate them.

Most of the participants are in their final year of study and all agreed that these type of workshops are of great importance for their professional development. Almost half of them said that the workshop surpassed their expectations, and all gave high scores to the speakers and the format of the event.

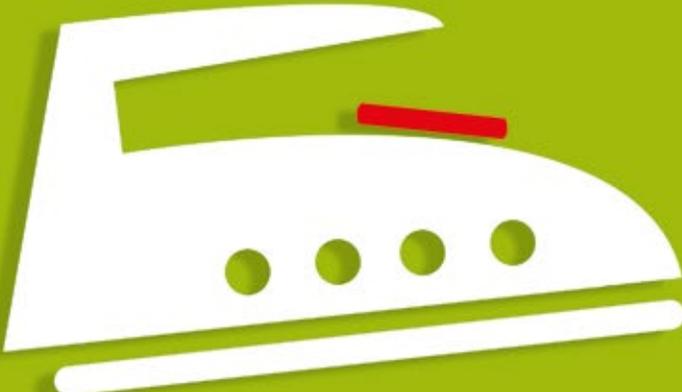


▲ Ana Umerova, Human Resources Development Specialist at Motiva



We would like to thank our Patron member, Pivara Skopje, for hosting the event in their training facilities and for providing beverages, as well as our longtime member Motiva for their donated time to lead the workshop.

1 kWh  
= 11 ironed shirts



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Ministry of economy of the Republic of Macedonia  
Energy Agency of the Republic of Macedonia

**EVN**

# AmCham M2M Learning Series



On July 9th, 2015 AmCham members had an opportunity to learn more about the role and importance of filtration in the modern wine-making process and to taste wines with our Patron member Ecotip.



On August 18th, 2015 our member company Neocom held a learning session on “How the Cloud can Make Your Business Better” led by Jane Antov, System Integration Executive Manager and neoCloud Chief Operation Officer.



On October 6th, 2015 our patron member, EVN Macedonia held a learning on “Idea Management – Driving a Continuous Improvement Culture” led by Elizabeta Nikolovska, Head of Business Excellence Office.



On September 17th, 2015, Slagjana Naskovska-Jakimovska, HR Specialist at EVN Macedonia, held a learning session on “HR Compliance Management”.

# AmCham Member List 2015

## **PATRON**

Alkaloid, Inc. Skopje  
 Ecotip, LLC Skopje  
 EVN Macedonia, Inc. Skopje  
 Makedonski Telekom, Inc. - Skopje  
 Microsoft, Ltd. Skopje  
 Okta Crude Refinery Oil, Inc. Skopje  
 Pivara Skopje, Inc.  
 Skopski Pazar, Inc. - Skopje  
 Visteon Electronics Macedonia, Ltd.  
 Skopje  
 Wabtec MZT, Inc. Skopje

## **CORPORATE**

Alliance One Macedonia, Inc.  
 Kavadarci  
 Alvogen Pharma Macedonia, Ltd.  
 ArcelorMittal Skopje (CRM), Inc.  
 ASSECO SEE, Ltd. Skopje  
 Avon Cosmetics, Ltd. Skopje  
 Avto Moto Sojuz na Makedonija  
 CBS International, Ltd. Skopje  
 Cementarnica Usje, Inc. Skopje  
 CISCO Systems Macedonia, Ltd.  
 Skopje  
 Deloitte, LLC Skopje  
 DHL Express Macedonia, Ltd. Skopje  
 Diners Club International MAK, Ltd.  
 Skopje  
 Euroins Insurance Inc. Skopje  
 Eurostandard Bank, Inc. Skopje  
 EY, LLC Skopje  
 Feni Industries, Inc. Kavadarci  
 Fersped, Inc. Skopje  
 GD Granit, Inc. - Skopje  
 Gemak Trade, Ltd. Skopje  
 Grant Thornton, LLC Skopje  
 Halk Bank, Inc. Skopje  
 Hewlett Packard IT BV Branch  
 Office Skopje  
 IMB Mlekara, Inc. Bitola  
 Johnson Matthey, Ltd. Skopje  
 Karanovic & Nikolic, LLC  
 Kemet Electronics Macedonia Ltd.  
 Komercijalna Bank, Inc. Skopje  
 KPMG Macedonia, LLC Skopje

Makedonijaturist, Inc. Skopje  
 Makpetrol, Inc. Skopje  
 Makstil, Inc. Skopje  
 McCann Skopje, LLC  
 Merck Sharp and Dohme, MSD  
 MI-DA Grand Motors LLC, Skopje  
 Neocom, Inc. Skopje  
 \*Ohridska Bank, Inc. Skopje  
 ONE Telecommunication Services,  
 Ltd.  
 Oracle East Central Europe  
 Representative Office Skopje  
 Philip Morris – Tutunski Kombinat  
 Prilep LLC., Skopje  
 PI Vitaminka, Inc. Prilep  
 PricewaterhouseCoopers, Ltd. Skopje  
 ProCredit Bank, Inc. Skopje  
 Roche Macedonia, Ltd. Skopje  
 Savings House Moznosti, LLC Skopje  
 Seavus, Ltd. Skopje  
 Soravia Invest, LLC Skopje  
 Sparkasse Bank Macedonia, Inc. Skopje  
 Stopanska Banka, Inc. - Skopje  
 TechnoLogica, Ltd. Skopje  
 The Coca Cola Company  
 Tinex-MT, Ltd. Skopje  
 Unija Finansiska Skopje, LLC  
 UNIQA, Inc. Skopje  
 Van Hool Macedonia, Ltd.  
 Veropulos, Ltd. Skopje

## **BUSINESS**

Alpha Bank, Inc. Skopje  
 Analysis and Advisory Group, LLC  
 Skopje  
 Cakmakova Advocates  
 CEED Macedonia  
 Facility Management Services, Ltd.  
 Skopje  
 Forton MKA, LLC Skopje  
 Inbox Archive&Data Center, Ltd.  
 Skopje  
 Infinite Solutions, LLC Skopje  
 M6, LLC Skopje  
 Macedonian Stock Exchange, Inc.  
 Skopje

Mepring Todor, LLC Skopje  
 \*Monet Technology Services, Ltd.  
 Netra, LLC Skopje  
 Nextsense, LLC Skopje  
 Nielsen Audience Measurement, LLC  
 Nova International Schools Skopje  
 Pashoski Tobacco Dealer, Ltd. Skopje  
 Polenak Law Firm  
 Savings House FULM, LLC Skopje  
 Sinpeks Bitola, LLC  
 Skopski Saem, LLC Skopje  
 TDK Computers Ltd. Skopje  
 Teteks, Inc. Tetovo  
 Tikves Winery, Inc. Skopje  
 Tim Point, Ltd. Skopje  
 University American College Skopje  
 VezeSharri, LLC  
 Vino - M, Ltd. Skopje  
 Vivaks, LLC Skopje  
 Z-SoftNet, LLC

## **NGO**

Habitat for Humanity Macedonia  
 Konekt  
 LinkAcross - Skopje  
 NORA - NGO for Rheumatism and  
 Arthritis  
 QSI International School of Skopje

## **ENTREPRENEUR**

Architectural studio EDNA, Ltd.  
 Skopje  
 CMX Solutions, Ltd. Skopje  
 Financial Company Mladinec, Ltd.  
 Skopje  
 IWM Network, Ltd.  
 Meloski Consulting, Ltd. Skopje  
 Monevski Law Firm  
 Motiva, LLC Skopje  
 Temporary Work Agency Motivi  
 Skopje  
 Ultranet Ultra, Ltd. Skopje

\*New member

# European AmChams Meet in Milan

In early October, thirty-five representatives from twenty-seven AmChams from across Europe attended a best practices gathering in Milan, Italy. AmCham Macedonia's Policy and Communications Manager, Ivana Naumovska. This year's program touched on a number of key Chamber operational themes, including: membership retention and growth, improving committee operations, utilizing new technologies to attract more members and measuring organizational success. Many AmCham delegates used this three-day conference as an opportunity to share their experience with strategic restructuring as a source for generating innovative ideas and project proposals.

A welcome reception was held at the residence of former U.S. Ambassador to Macedonia and current Consul General of the USA in Milan, Philip Reeker. Also, Ambassador Douglas T. Hickey, Commissioner General of the USA Pavilion at EXPO Milano 2015 greeted the group on the last day.

As the host, AmCham Italy, prepared an excellent program in addition to the working agenda, providing networking events and meetings with their members, key partners and supporters, as well as world-class guest speakers.



*"Financial Discipline",... continued from page 19*

Just this fall, the MoF

proposed a number of additional amendments to:

- Further detail the inspections procedure;
- Clarify payment deadlines in cases where debts are being paid in installments – a major concern of the business community before the initial adoption of the law;
- Define intra-institutional invoice processing deadlines for the MoF and the State Health Fund;
- Expand the PRO's jurisdiction to inspect both companies and all State institutions upon

receiving a court decision or notary notification;

- Set the standard fine for non-compliance of companies at 10.000 EUR (rather than 5-10.000 EUR as the current law allows) in anticipation of the sweeping change just made to the Misdemeanor Law that sets a sliding scale for all fines based on company size and other factors.
- Clarify that State institutions will also be subject to such fines; and
- Expand the applicability of the Law's applicability to individuals who sells products or services for profit, setting standard fines for non-compliance at 1.000-1.500 EUR.



**AMCHAM**  
M A C E D O N I A

## AmCham Board of Directors

1st VP

### Emre Kozlu

General Manager

Philip Morris – Tutunski kombinat Prilep, LLC., Skopje

### Miroslav Marchev

Tax and Legal Services Director

PricewaterhouseCoopers, Ltd. Skopje

### Stefan Peter

Management Board Chairman

EVN Macedonia

2nd VP

### Borka Petrovska

Administration Manager

Feni Industries, Kavadarci

President

### Slavko Projkoski

Chief Financial Officer

Makedonski Telekom Inc. – Skopje

### Selim Simbil

General Manager

Wabtec MZT, Inc. Skopje

### Sonja Todorova

Public Affairs and Communications

Manager

Pivara Skopje

## AmCham

### Executive office

### Michelle Osmanli

Executive Director

### Gordana Karanfiloska - Dimoska

Relationship & Finance Manager

### Ivana Naumovska

Policy & Communications Manager



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Wabtec Corporation  
(Westinghouse Air Brake Company),  
leading supplier for rail, transit  
and other global industries.**

Wabtec Corporation employs 9.500 people in over 50 production and overhaul facilities worldwide. Europe's rail tracks accommodate 33.000 locomotives, 700.000 freight cars and 150.000 passenger cars. European Headquarter since 2011, Wabtec Europe - Vienna , Austria.

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- Brackets
- Changeover device
- Brake Control Unit
- Weighing Valve
- Brake cylinder
- Trade brakes and combined brake units
- Integrated bogie brakes (IBB)
- Pneumatic control panels
- Reservoirs, slack adjusters



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Trust in your ideas and you'll feel free  
Create and be proud of your deeds  
Treasure your love and you'll be loved  
Cherish the spirit and be strong

We in Alkaloid, trust in our creations,  
treasure and cherish the force that sets  
life in motion and builds perfect  
harmony called HEALTH.



earth

water

air

fire

# Health above all



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e-mail: [alkaloid@alkaloid.com.mk](mailto:alkaloid@alkaloid.com.mk)  
[www.alkaloid.com.mk](http://www.alkaloid.com.mk)