

Emerging MACEDONIA

MAGAZINE

SUMMER 2014 ISSUE 42
PRICE 300 MKD

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*of the American Chamber of Commerce
in Macedonia*

Public Private Partnerships in Macedonia: Creating Synergy





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Dear AmCham Macedonia members and friends –

Thank you for picking up the summer 2014 edition of Emerging Macedonia. I hope you'll enjoy this issue's features with a few of the most dynamic investors in Macedonia today. We've also included pieces on a number of current hot topics ranging from the reintroduction of the traditional K-15 mandatory bonus to crowdfunding to recent legal changes that are sure to impact all of us.

I hope you'll agree that May's "Advancing Business-University Cooperation" event provided a unique opportunity to encourage successful partnerships in higher education. Also, June's information session for local companies interested in selling more to foreign companies working here received high marks for its usefulness.

Coming up this fall, we are planning an engaging Customer Service seminar, Board elections at our annual General Assembly, hosting an AmCham Bulgaria delegation of companies interested in learning more about investment opportunities in Macedonia as well as our traditional holiday gatherings marking the close of another busy year.

I'd also like to personally welcome the recent addition of a number of great new member companies: Sparkasse, GAEA, Forton Macedonia, Roche, Inbox and Uniqa. Please help me welcome them to the AmCham family, where together we can help ensure the relevance, impact and success of our efforts to constantly improve our results as well as Macedonia's business environment.

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Executive Director

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The Ups and Downs of Private Public Partnership in Macedonia

The growing need of governments and local authorities to meet citizens' needs and the lack of funds to do so, are the main drivers behind worldwide efforts to involve private companies in the provision of public services. Successful Public Private Partnerships (PPPs) require a careful balance between public benefit and private gain, which is often easier said than done. Macedonia has the legal framework required to attract private partners into public projects but until now, the model has been applied in only a few cases, most of them without any great quality improvements or cost saving results.

While purchasing goods and services via public tenders may or may not be considered true PPP, trends seen in public procurement do shed light on those present in the PPP sphere.

Given the structure of Macedonian economy which features primarily small and micro businesses, local companies are largely unable to bring the capital and expertise necessary to carry out many more ambitious PPPs seen elsewhere. Perhaps for this reason, the Macedonian Government has added PPPs to the list of tools to attract FDI. The most notable of these projects was the 2008 agreement with the Turkish Airports Authority to renovate and run the country's two airports. This PPP has meant an infrastructure injection of approximately EUR 120 million so far as well as greatly increased route options and passenger numbers.

One not so glorious example is the failed Skopje city government's attempt to turn the city's waste disposal landfill into a modern recycling plant. Last year, just as the city signed a €73 million PPP with the Italian consortium, FCL AMBIENTE SRL and UNI-ECO SCC COOP, the country's Administrative Court annulled the contract, leaving the project in tatters. The court cited inconsistencies in the tendering procedure in response to a complaint submitted by a losing bidder.

In another case, toward building new highways and modernizing existing ones, in 2009 Macedonia offered some 380 kilometers of its roads under concession management agreements that would have allowed companies to recoup their investment via toll booths. But last year the Government finally dropped the idea entirely after no bidders materialized. Given that the project, as designed, appears to unattractive to potential investors, the Government switched gears and began building some of the highways with the help of a Chinese loan.

"PPPs are a great unused opportunity both for Macedonia and for the companies and we practically have very little successful examples. By rule the governments are not as good as managers as the private sector is, so they should be allowed to share their expertise in some areas for the mutual benefit. When the private capital enters, a balance must be found between firm's undisputed interest and the public interest", says Borce Davitkovski, law professor at the State "Saints Cyril and Methodius" University.

While purchasing goods and services via public tenders may or may not be considered true PPP, trends seen in public procurement do shed light on those present in the PPP sphere. According to the latest quarterly monitoring report of public procurement in Macedonia published by the Centre for Civil Communications (CCC), "as many as 35% of tender procedures monitored in the course of 2013 only attracted one bidder," which is clearly a sign of extremely low competition in public procurement. Also, according to the 2013 annual report of the Macedonian Public Procurement Office, a full 11% of procurement funds spent in 2013 were spent on goods and services for which there were no advanced call for bidders whatsoever.

Since 2008, CCC's reports have continually warned that the main public procurement problem in the country remains the lack of competition and that last year one in three of the tendering procedures they monitored ended with the contract going to the sole bidder on a tender. The reports also revealed that in

2013, 25% of tender procedures failed due to insufficient interest from the private sector and other factors (i.e., zero bidders).

But big projects with more significant public impact are still something to be desired so Davitkovski calls for concrete action. He says that the Macedonian Law on Concessions and PPPs is one of the biggest obstacles because it is “too complicated and restrictive” so “the private partners cannot recognize their interest in it”. He adds that Macedonia, “has to amend the law to allow private partners’ access to publically held assets like natural resources. However, the law should contain precise provisions to protect the public interest.”

One other obstacle is the process of decentralization, which on paper transfers authority from the central government to local municipal governments, but in practice has created confusion over who has the right to form and manage PPPs. “The Constitution bans the transfer of authority over national assets to local authorities. However, this is not clearly stated in the laws, so we often have confusion where municipalities think they can create a PPP utilizing a certain asset located in their municipality, when in fact only the central government can do this. These details need to be clarified, as well,” Davitkovski says.

Verica Markovska, a marketing expert and co-founder of Analysis and Advertising Group-Skopje, says that PPPs are “a matter of learning by doing. The more you create and carry out PPPs, the better you get at it.” She says that the situation with PPPs in Macedonia now largely mirrors global trends, where investors are more cautious about investing in the wake of the global economic downturn. “We are certainly not seeing the mid-2000s frenzy when investors were actively competing for more and more projects. Everyone’s expectations probably need to be lowered a bit because today’s reality is different from that prior to the crisis,” Markovska explains. However, she said she still sees great potential for PPPs, especially as a “great way for Macedonia’s municipalities and public enterprises to get projects and build public goods without spending their own money.”

Markovska, who has an extensive experience in PPPs consultancy, explains that designing a PPP sounds much easier than it actually is and that many badly prepared projects are destined for failure. “It is not too difficult to launch the procedure and so, many public partners are entering unprepared, thinking they will succeed in building something very fast. Afterward, they identify flaws that can delay the project or deter potential partners,” she says adding that “often both the private and the public partner have unrealistically high expectations of quick, sizeable gains.”



Markovska also highlighted that projects are often so small and done on a local level, making them unattractive for big companies. “The problem with our projects on the municipal level is that they are relatively small, so they pass below the radar of international players. On the other hand, this is not bad for the smaller local investors who should also find their place in the PPP model,” she says.

One thing that attracts private companies into doing businesses with the central government and with the local authorities is that, generally speaking, they are dealing with a more stable partner that is much more likely to keep its end of the bargain. “Private partners know that it is safer when they team up with a government, as countries do not tend to collapse at the rate other private companies do. When it comes to municipalities or public enterprises in Macedonia, the risk is slightly greater but again, it largely depends on the financial health of the public partner in question. If chosen carefully, there should not be any problem,” Markovska explains.

Macedonia's Premier PPP with TAV Airports

Interview with Sani Sener, TAV Airports President & CEO

EM: TAV's long-term Agreement for Public Private Partnership was signed with the Macedonian Government in 2008. 6 years on, how would you characterize the company's operations in Macedonia? What are your plans for the coming period?

Sener: We operate both airports in Macedonia and they are very important for us. Macedonia and Turkey have deep historical connections; we have geographical proximity, cultural commonality and administrative similarities. Macedonia is an emerging market and since the beginning, we believed in the potential this country had. Macedonia, located in the heart of the Balkans, is the gateway to Europe, and this is important for us both from economic and social aspects. Airports are long-term investments. So far, we were successful in achieving the numbers we anticipated but we believe that we still have a great room for growth in Macedonia. In close cooperation with government authorities, the tourism sector and other stakeholders, we're working hard to establish Skopje as a regional hub.

EM: TAV Holding operates airports also in Latvia, Georgia, Saudi Arabia, Tunisia and Turkey. How would you compare your experience working with State institutions in Macedonia with these other countries?

Sener: TAV Airports Holding is among the leading airport operators in the world, operating at 14 airports in seven countries. In March 2014, we made the best bid to operate Milas-Bodrum Airport in Turkey, for a period of 20 years. Having undertaken the operation of Milas-Bodrum Airport's domestic terminal in July 15, 2014, TAV Airports will take over the operation of the international terminal as from the last quarter of 2015. Through its subsidiaries, TAV Airports operates in all areas of airport operations such as duty-free, food and beverage services, ground services, IT, security and operations services. TAV, together with its subsidiaries, provided services to approximately 652 thousand flights and 84 million passengers in 2013.



Today, investments are flowing from industrialized countries to emerging markets that have a room for growth. The crucial factor here is that emerging markets might have shortfalls in their physical or legal infrastructure, which would jeopardize these investments. Fortunately, we have encountered a supportive and collaborative approach from the State institutions in the countries where we've invested. We can give Macedonia as a perfect example on creating an attractive environment for investors. Its legal systems are sound, physical infrastructure developed and most importantly, government authorities are very constructive. There will always be challenges; a solution-oriented approach is the decisive factor and Macedonia has it.

From the very first day of the project, the Macedonian Government has taken a very collaborative and supportive approach. Whenever we had issues, the government tried to solve the issues in the legal frame of laws and regulations of the Republic of Macedonia. The Macedonian Government has also improved several administrative processes and procedures in order to create and offer a better business environment to foreign investors.

All State institutions support the aviation sector in Macedonia to improve air traffic. Since the Government of Macedonia is aware of importance of the aviation and its positive effect on the economy, it decided to incentivize air carriers. The government published a tender to attract air carriers to introduce new routes from Skopje and Wizzair won the tender. Wizzair started operations with two destinations at the end of 2011, in 2012 based one aircraft and introduced 6 new destinations in addition to those two. In April 2014, Wizzair based a second aircraft and now performs flights to 14 destinations.

EM: The number of PPPs in Macedonia is not very big, in your opinion why is this and how/where might they be appropriate?

Sener: Correct – the number of PPPs in Macedonia is not very high, but the ones that exist are operating very well. The most appropriate role of PPPs is when governments want to provide benefits, but does not have enough resources for investment – for example in the energy sector, sport centers, communal services, transportation, etc. The key aspect is to have strictly defined and appropriate legislation in this area, since without clear rules of engagement, the private sector will not be willing to participate. I am sure that with the efforts of this Government to constantly improve and standardize its legislation with the EU, the interest in this kind of partnership will continue to grow and the benefits will be visible for both parties.

EM: What are some of the challenges or advantages you have experienced as a foreign company working in Macedonia?

Sener: Macedonia's location is a great advantage for us because it is located in the middle of the Balkans and gateways to both Europe and Balkans. The country has easy access from the neighboring countries as well as the countries located in the Balkan region. This geographical advantage gives the Skopje

“Alexander the Great” Airport an opportunity to become a regional hub airport for the Balkans. Another advantage of the geographical location is the catchment area. Approximately 12 million potential passengers live in the catchment area, therefore, we have a huge market potential in the region.

Also, we have observed that countries that enter the European Union experience an economic boom on both available ton miles and passenger numbers. Though Macedonia is not yet an EU member country, Macedonians can travel to Schengen countries without visa requirements, which reduces the travelling cost and has a positive effect on the number of passengers travelling by air.

The Macedonian economy is constantly growing and the country has a stable political and legal position which makes foreign investors feel comfortable and safe while deciding to invest here. Also, the economic performance of the Macedonian economy features stable GDP growth, a low inflation rate of 2% on average in the past 10 years, fiscal discipline confirmed by international financial institutions and strong coordination between fiscal and monetary policy.

The country has also ethnic variety and cultural heritage, which creates additional opportunities for developing tourism. For example, Ohrid is a perfect place with an amazing landscape and lake, which was declared a World Heritage site by UNESCO in 1979. In 2010, NASA even decided to name one of Titan's lakes after Lake Ohrid.

Surely, there are many challenges for foreign investors as well. But as I mentioned before, the Macedonian government's approach to companies investing in the country and our belief in Macedonia's potential have been the essence of our achievements in both airports.



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PMI Creates Joint Venture with State Owned Company

EM chats with Stacey Kennedy, Area Vice President South East Europe, Phillip Morris International (PMI) about her company's decision this May to sign a partnership agreement with Tutunski Kombinat Prilep (TKP), a Macedonian State-owned cigarette manufacturer.

EM: What are the main goals of your strategic partnership agreement?

Kennedy: I am very pleased that we have signed this strategic partnership agreement with TKP. The partnership that we have embarked on together will result in the formation of a new legal entity - a joint venture company that will focus on the commercialization of both international PMI brands and strong local TKP brands on the Macedonian market.

Having a business partner with such a long tradition and comprehensive experience in the cigarette manufacturing business is a great advantage. We have the utmost respect for the TKP team, which makes me fully confident that together we will create a solid foundation for the future of the Macedonian tobacco industry.

EM: What does this agreement mean for PMI's position in the region?

Kennedy: With this partnership, we will expand the presence of PMI brands on the Macedonian market. At the same time, we will apply our international know how to add value to already well-established local TKP brands. By strengthening our business in Macedonia we are further developing our presence in the region as part of our ambitious development plan for South Eastern Europe as a whole.

PMI brings very relevant know-how from its entities in other regional markets. This includes our experience transforming a factory acquired in Serbia into a state-of-the-art manufacturing facility. By adding a strong presence in Macedonia, we will be well on our way to forming a solid basis for increasing the competitiveness of South East Europe within PMI's global network.

EM: How will this agreement affect TKP's local suppliers and partners?

Kennedy: The joint venture will be a brand new company that will soon start operations. PMI and TKP will cooperate to develop brand strategies, marketing plans and distribution networks. Developing a supply chain to support upcoming business needs is certainly a key part of this process.

EM: Which of PMI's brands will TKP eventually produce?

Kennedy: New brand launches are subject to further review, so it's too early for me to comment on this. However, there is a growing trend toward international brands in the Macedonian marketplace and PMI's are very well suited to compete. Any new launches will be driven by trends and adult smoker preferences. We will carefully analyze the needs of our adult smokers in Macedonia over time to determine if, and when, we should launch new brands.



A Primer on Public-Private Partnerships with U.S. Expert, Richard Norment



Richard Norment is a Senior Fellow and former Executive Director of the National Council for Public-Private Partnerships in Washington, DC, a non-profit organization that promotes the use of public-private partnerships (PPPs) to improve the delivery of public services and infrastructure in the United States.

PPPs vs. Concessions

PPP is a broad term that includes a range of options for combining the resources of the public and private sectors. Concessions are a subset, meaning they are just one of the ways in which a PPP can be carried out.

Many PPPs include public capital or funding. This is the most common practice: the public sector pays for the project upon completion and delivery or by making “availability payments” for the successful operation and maintenance of a project over a defined period of time. This is common in most municipal infrastructure projects (e.g., offices, schools, recreational facilities). In some of these cases, public funds are the sole revenue source.

Concession-based projects include a revenue stream allowing the private sector recoup their capital investment made in the project, including tolls or other types of user fees. In the case of projects that involve long-term commitments and revenue prospects (usually greater than 25 years), the private partner may be willing to provide an “up front” payment to the public sector in order to obtain the contract. This concession payment is then included in the long-term capital debt of the private sector, ultimately to be recouped by the revenue stream set up to recover this initial investment.

For these reasons, concessions are more limited than other, broader versions of PPPs.

Current U.S. Trends

While the economy in the United States is regaining its strength, the economic downturn did cause many in the public sector to take a closer look at PPPs. With maintenance deferred and mounting infrastructure demands resulting from population growth, public officials have become much more receptive to the idea of forming PPPs to meet public needs.

This trend has been significantly aided by the level of private and public pension funds that are available to help finance PPPs. Namely, the financial return on PPP infrastructure projects is higher than what can be expected from government bonds and – with proper due diligence of the project’s contract – the level of risk tends to be low enough to attract private sector investment.

Sectors that have benefited most from these trends have been education (particularly in the construction of primary, secondary and higher education buildings and infrastructure), water and wastewater systems and municipal facilities (administrative offices, energy improvements, parking and more). While transportation projects receive a great deal of press coverage, due to the very high level of investment they tend to involve, the majority of projects are smaller.

PPPs in Developing Countries

It is a common misperception that PPPs are only for developed economies, when in fact the greatest

number of partnerships are found in India. There are more PPP projects in India than in all of Europe! Africa is also aggressively using PPPs, in particular in South Africa and Ghana, but also throughout much of the continent.

The United Nations Economic Commission for Europe focuses much of its effort on increasing the ability of governments in Eastern Europe and South Asia to identify, negotiate, manage and implement successful PPP projects.

Latin American countries of all economic development stages are also active users of PPPs. Chile in particular has been a PPP trend setter for the region.

- Well-written contract – the contract is the tool that the public sector uses to ensure the project is delivered as intended. The contract should detail performance requirements (not precise methods) to allow for innovation by the private sector.
- Clear revenue stream – the private sector must be able to recoup their investment in a reasonable timeframe.
- Broad stakeholder support – The PPP procurement and contract negotiation process is open and transparent. The general public must see clearly how it benefits from the partnership. Frequent public communications can help.

Recommendations

Transparency of the whole process is critical. While certain private sector proprietary information does need to be protected, the terms and conditions of the contract must be open to public scrutiny. The qualifications and credibility of the company chosen to deliver the project must be a central element in any PPP communications campaign aimed at obtaining and retaining public confidence. If the honest facts are not presented objectively to all stakeholders, the PPP is at risk of failure.

Additionally, in my experience, each of the following keys is necessary to the success of any PPP:

- Public sector champion – a recognized public figure who serves as the spokesperson for the partnership, to communicate the value and benefit of the approach and dispel misperceptions.
- Supportive statutory environment – laws and regulations in place that give the private sector confidence to engage in a PPP.
- Ready public sector partner – a consistent, reliable and trained team of public sector professionals who manage the PPP from its conception through implementation.
- Capable private sector partner – the private partner has the proven technical and financial ability to execute the contract.



PPPs in Higher Education

State institutions of higher education can participate in PPPs, like any other public entity. While building campus infrastructure is the most common application (e.g., dormitories, classrooms, administrative buildings), some success has also been seen in PPPs centering on joint skills development of technicians needed for the modern manufacturing process (robots, computer controls, etc.). Sharing of college assets (such as physical location and teaching staff) can be combined with manufactures' resources toward this end.

Continued on page 17

The Transatlantic Trade & Investment Partnership's Impact on the EU Periphery

The Transatlantic Trade and Investment Partnership (TTIP) aims to significantly reduce both tariff and non-tariff trade barriers still complicating trade between the United States and the European Union. According to the EU Commission's assessment,¹ an ambitious TTIP deal would increase the size of the EU economy by about €120 billion and the U.S. economy by €95 billion. This would be a permanent increase

Roughly 14% of corporate America's European workforce is now based in central and eastern Europe.

in the amount of wealth that the two economies could generate every subsequent year. For those countries on the EU's periphery, the agreement should also mean good things. Trends suggest that there will be greater economic convergence between Europe and its periphery in the decade ahead, with expanding trade and investment flows keeping pace with rising cross border flows of people, capital and ideas. All of this will benefit Europe as a whole, as well as those U.S. firms with operations across the continent.²

Much policy and investment attention has been paid in the last decade to the economic growth taking place in Asia, particularly to China and India. However, equally attractive opportunities lie much closer to the EU, where many U.S. firms are already embedded. Consumers in "developing Europe"³ spend nearly as much as consumers in China and easily outspend consumers in India. In fact, consumer spending in China (\$3 trillion in 2012) was just 15% larger than the combined personal consumption expenditures in developing Europe (Russia included).

1 Transatlantic Trade and Investment Partnership – The Economic Analysis Explained, European Commission, September 2013

2 Daniel S. Hamilton and Joseph P. Quinlan, The Transatlantic Economy 2014, Volume 2/2014: State - By - State and Country - By - Country

3 Joseph P. Quinlan, The Case for Investing in Europe 2014: Why U.S Firms Should Stay the Course

U.S. firms enjoy preferential and easy access to this part of the world. Highly profitable U.S. affiliates in Europe are also extremely important to the overall success of their parent companies and the health of the U.S. economy. Due in part to its size, the EU remains the most attractive foreign destination for U.S. capital. From a very low base in 1995, U.S. investment stock in Europe's east has expanded greatly. This trend was motivated by a number of factors, including a strategic desire to gain access to the region's highly trained labor force in technology and life sciences.

Despite the shift in some investment and production to the periphery – with some nations losing and others gaining U.S. investment – the region itself remains the favorite destination of U.S. multinationals. So far this decade, Europe's global share of U.S. FDI has actually increased, to 56.2% of the total, up from a share of 55.9% over the 2000-09 period. TTIP should only strengthen this trend and result in U.S.-based companies seeking to capitalize on EU's ties with its neighbors developing nations – the source of most global economic growth – are much deeper and thicker than America's. Thus, the EU is a natural launch pad for U.S. multinational operations in central and Eastern Europe, Russia, the Middle East, Turkey, and Africa (particularly North Africa which is one of the largest and most dynamic regions of the global economy). Europe's extended periphery is massive in size and scale with a total output slightly larger than China's.

The EU is a natural launch pad for U.S. multinational operations in central and Eastern Europe.

Europe is an unusual blend of developed market economies⁴ and developing markets⁵ offering some

4 The EU 15

5 Developing Europe includes EU-13 plus Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Macedonia, Moldova, Montenegro, Russia, Serbia, Turkey and Ukraine

Developing Nations Key Suppliers: the European Union Stands Out¹
(Developing nations imports - % total from EU and U.S.)

	Central/Eastern Europe	Middle East and North Africa	CIS*
EU	62.7%	24.6%	35.0%
U.S.	2.9%	7.9%	4.2%

*CIS = Armenia, Belarus, Georgia, Kazakhstan, Kyrgyz Republic, Moldova, Mongolia, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan

¹ Source: International Monetary Fund, Data for 2012;

of the best commercial opportunities in the world. Continuous EU enlargement means bigger market opportunities, resources (including a large pool of skilled and low-cost labor) as well as access to an expanding consumer base. In fact, roughly 14% of corporate America's European workforce is now based in central and eastern Europe, up from virtually zero a few decades ago. While the share of U.S. investment in many eastern European countries remains small, the percentages mask the ever-expanding presence of American companies in

Europe's eastern periphery. Thanks to many variables – greater employment, rising incomes, and most of all, pent up demand for western goods and services after decades of denial consumerism—as measured by personal consumption expenditures, has soared over past decade in Europe's periphery, creating entirely new markets for U.S. goods and services. The personal consumption in central and Eastern Europe doubled between 1990 and 2005 and nearly doubled again by 2012, when expenditures totaled an impressive \$2.6 trillion.



2014 Board of Directors Elections

The AmCham Macedonia Board of Directors consists of volunteer members who serve 2-4 years to provide strategic direction, oversight and assistance to Executive Office operations and represent the organization in public. This fall at AmCham's 14th Annual General Assembly, members will need to fill three (3) Board of Directors seats.

All interested candidates should review Board membership information available on our website (www.amcham.com.mk > About Us > Board of Directors) and submit a 2014 Board Membership application along with a brief professional history (150 words maximum) and Letter of Intent.

AmCham would like to publically thank the following Board members for their outstanding service ending this fall:

- Werner Hengst, Chairman of the Management Board, EVN Macedonia (maximum Board term served);
- Makram Ghribi, Plant Manager, Johnson Controls Macedonia (leaving Macedonia);
- Miroslav Marchev, Tax and Legal Services Director, PricewaterhouseCoopers Macedonia (first of 2 possible terms ending; will run for re-election).



The companies chose a stable system, knowledge and the best conditions on the market.

Choosing the right path is not a simple matter when it comes to electricity supply for companies on the free market. More than 70% of companies in Macedonia chose a stable and reliable partner. The companies opted for support in accurate planning and rational use of electricity. They chose an experienced team. In order to reach new company achievements, they chose a stable system, knowledge and the best conditions on the market. They chose the right path.

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Overview on Macedonia's New Law on Financial Discipline

Macedonian Parliament adopted the Law on Financial Discipline in December 2013, setting arbitrary invoice payment deadlines for private and public sector entities and introducing additional penalties for late payers. AmCham predicted at the time that the Law would fail to improve liquidity in the country (the Government's main justification of the proposed Law) while reducing economic freedom and increasing existential stress on many struggling businesses operating here.

Unfortunately, the final version of the Law was even worse than the version published on the National Electronic Register of Regulations for public comment. Namely, at first, the application

of the new payment deadlines was delayed only for the State Health Fund (until January 1st, 2016). However, the adopted version of the Law delayed its applicability to a number of additional State institutions and public enterprises, while remaining firm on its applicability to the private sector as of May 1, 2014. In an economy where the State plays such a disproportionately large role, this decision seems designed to increase the number of informal loans from the private to the public sector in a number of sectors. Namely, private companies who sell products and services to State institutions are now in a worse liquidity situation than before the enactment of the Law, since penalties for paying their suppliers late have been dramatically raised while their State clients are held to the same low standard as before.

From an implementation perspective, the inconsistencies of the Law's key terms, its vagueness and overlap with other laws have lessened companies' sense of legal certainty since various stakeholders are bound to interpret and apply it in subjective and unpredictable ways.



*Richard Norment interview
continued from page 13*

Such arrangements may include sharing production equipment and skilled technicians who supplement university teaching facilities and staff. Obviously, the private sector shares in the cost of such partnerships.

One of the best examples of this is in Chattanooga, Tennessee, where local colleges have teamed up with Volkswagen to provide skilled workers for their new manufacturing facility in that city. In addition to attending traditional classroom lectures, students

work in an on-campus "VW Academy" (a prototype of the factory floor built by the company) as well as in the company's actual factory in exchange for real-life experience and some compensation.

Partnership can be applied to a wide variety of uses. Imagination is key for finding applications of this innovative redelivery tool. While PPPs will not fit every situation, they should be considered before the public sector proceeds with a project.

Macedonia's New/Old Obligatory Employee Vacation Bonus

In December 2013, Macedonia's Federation of Trade Unions (authorized to represent all private sector employees in the country) and the Organization of Employers (the legally recognized representative of all private sector employers) agreed to reintroduce the requirement for all private sector companies to begin paying a sort of vacation bonus, called "K-15". The bonus amounts to a one-time payment of 40% of the average gross salary paid in the country (~€500) to all private sector employees starting in July this year. Personal income tax will be collected on all K-15 bonuses.

The K-15 is a bit of a throwback to Macedonia's socialist past, where the bonus ensured that all workers would be able to afford a decent summer vacation (something that was generally considered to be out of reach given the level of salaries generally paid during socialism). However, it seems out of place in a market economy, where bonuses should serve to incentivize and reward high performance, especially since it is being reintroduced 22 years into Macedonia's official shift away from socialist Yugoslavia.



The fact that the bonus is now required by all employers – and for all salary levels – removes any incentivizing power the bonus might have had. Instead, it effectively raises all salaries in the country simultaneously with no economic justification

(e.g., a corresponding increase in productivity). Further, given that the 2014 bonus was introduced at the very end of 2013, means that it was not properly accounted for in most companies' 2014 budgets – an unpleasant surprise, indeed.

There is also irony in the fact that the Macedonian system of social contributions and taxes prevents the payment of actual bonuses. Rather than exempting these payments from these additional costs, to ensure more reaches the high performing employee, full social contributions and taxes must be paid on all bonuses, just as they are for fixed salaries.

In market economies, minimum wages are set to ensure a "living wage" is paid to all workers, even when the labor market might dictate lower wages. The K-15 bonus is way of increasing the minimum wage "via the back door". However, the fact that it requires a flat payment to all employees – regardless of their current salary or any additional payments they may receive – adds insult to injury. The additional cost will fall relatively hardest on the small and micro companies that make up the vast majority of the country's employers, but large international organizations will also not find it easy to explain the unforeseen increase to their mother companies back home.

Most Americans wouldn't be familiar with the concept of a General Collective Agreement that clarifies and often enhances the basic rights and benefits provided for in the Labor Law for all private sector employees in the country. What it means is that companies operating here have to keep an eye on Labor Law (amended 17 times in the last 5 years), the General Collective Agreement (renegotiated every 2 years) as well as any additional collective agreement that may apply to their industry (e.g., telecommunications) or organization. This makes it harder to estimate and predict future labor costs, one of the most critical line items in any organization's annual budget.

Is Macedonia Ready for a Crowdfunding Revolution?

Author: www.Letsfundit.mk



Crowdfunding is the process of asking the general public for startup capital for new ventures, innovative projects, events and initiatives. Essentially, it allows entrepreneurs, small business owners, organizations and individuals to bypass more traditional sources of funding entirely and pitch ideas to a potentially huge number of everyday Internet users. And crowdfunding doesn't just help creators finance projects; it also helps them gauge public interest before launching something new.

Crowdfunding has been around for decades as a concept but what's new is the online approach that allows creators to use intermediary services to essentially build promotional web pages for whatever they're trying to get funded. Viewers are offered special rewards in exchange for pledges rather than equity or a share of profits. Benefits often take the form of exclusive merchandise, advanced access to new releases, or more personalized incentives.

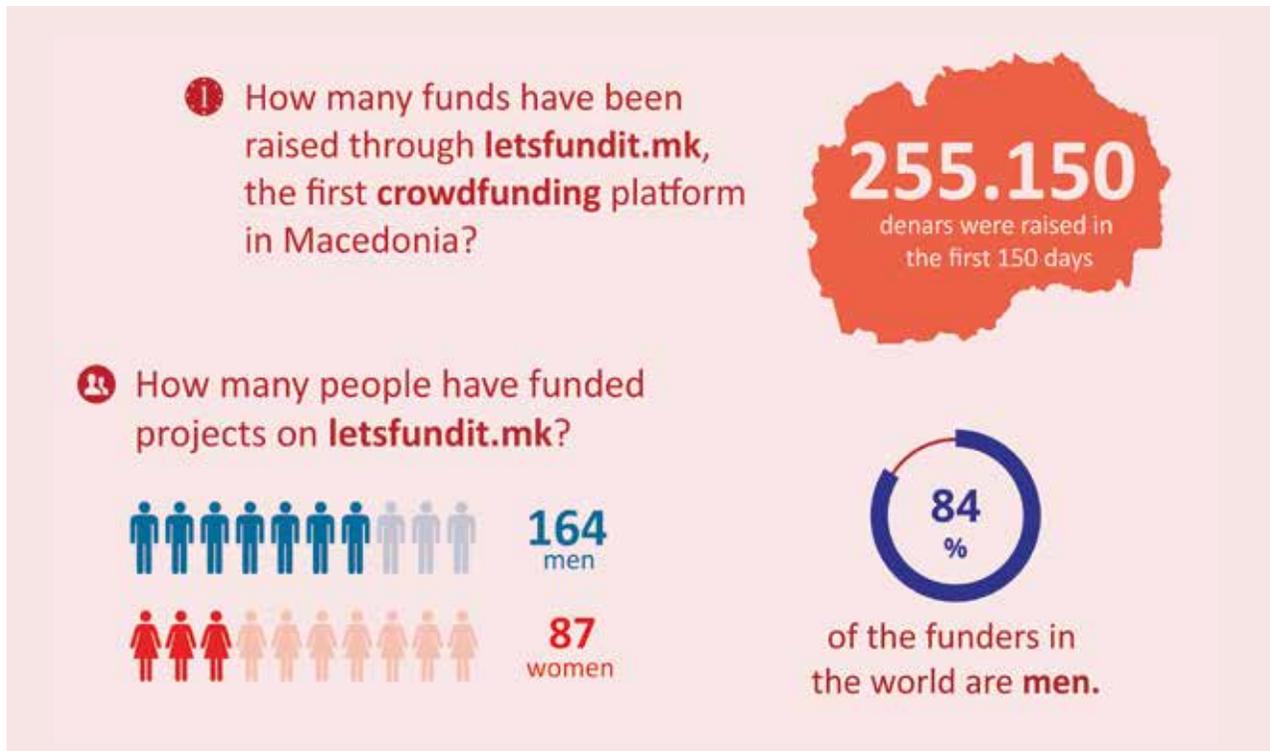
Crowdfunding is not only about raising money. In order to succeed, the creator has to "give in order to get" funds in return. If he simply asks for contributions, and offers nothing of value in exchange, he'll quickly discover the difference between crowdfunding and charity. Backers expect meaningful returns in exchange for contributions and that means offering compelling rewards. Under typical scenarios,

business owners make educated guesses about products that their target market may want to buy. Using crowdfunding, they can test ideas at little upfront cost and adjust spending accordingly. What's more, crowdfunding provides a better way to generate interest in projects and pre-orders. Not only are customers more emotionally invested in the development process, they're also more emotionally invested in the end result.

In the past 5 years the crowdfunding industry has undergone remarkable growth, estimated to be around 1,000% while providing around \$10 billion in funding to startups and small businesses. The global crowdfunding industry's exceptional growth is not likely to slow down this year either, since, according to early forecasts, the market is expected to grow by an additional 92%. The overall economic value of the industry is expected to reach approximately \$3.2 trillion by 2020, if current trends are sustained.

There's no denying that crowdfunding represents a fundamental change in the way technologies, products and entrepreneurs are evaluated. Until recently, a relatively small number of very wealthy individuals held the purse strings of the creative world. Bank loans, micro crediting, few grant opportunities and a little group of venture capitalists and angel investors were the only supporters of innovative





ideas. And they were all quite selective. Innovation and creativity yearned for realization, and countless opportunities and ideas were lost forever. Perhaps it shouldn't surprise us that the need to support innovation was eventually met by innovation itself. Just as the PC brought computers to the masses, crowdfunding put funding of innovation in the hands of the crowd.

Crowdfunding in Macedonia

The crowdfunding concept is new for Macedonia. The first platform of this kind, letsfundit.mk, was launched in January 2014. Macedonia needed a crowdfunding platform not only because innovators here have very limited local financing opportunities, but also because the crowd in Macedonia is open to new concepts and global emerging trends and have a tradition of helping one another. The world over, backers generally want to support projects that impact them locally. Therefore, letsfundit.mk was launched as the first local, Macedonian crowdfunding service which accepts projects, ideas, and initiatives only from Macedonia.

In the beginning, many assumed crowdfunding would not work in Macedonia, that it is a concept plausible only in more developed countries. However, the first 150 days of crowdfunding in Macedonia, proved the opposite. In 150 days, 251 Macedonians funded one of 10 active projects. All of them together raised about \$5,760 (exactly 255.150 MKD), which on average is about \$24 per person. Just as a comparison, the average per person amount invested on a global level in crowdfunding platforms is \$25. Three local projects have actually managed to raise more than 100% of the funds they originally sought.

Crowdfunding for business

Companies could be the main funding source for innovative projects they want to realize by pledging to match or double a set crowdfunding goal with their own funds. This approach could make many more innovative projects financially feasible, whether they be within the company, a spin-off organization, a supplier or some other variation.

Businesses could also increase employee engagement across departments by initiating crowdfunding internally. This could give employees the opportunity to share personal, charitable, or business crowdfunding pursuits with fellow employees and company management. In addition to rallying support for individual causes, companies could also use crowdfunding to spark new ideas for their new products and services both from the crowd and their employees.

U.S. Foreign Account Tax Compliance Act 101

FATCA became U.S. law in March 2010. The U.S. Internal Revenue Service (IRS) is treating 2014-2015 as a transition period for FATCA enforcement and administration. In short, FATCA:

- Targets tax non-compliance by U.S. taxpayers with non-U.S. accounts
- Focuses on reporting:
 - o By U.S. taxpayers about certain non-U.S. financial accounts and offshore assets
 - o By non-U.S. financial institutions about financial accounts held by U.S. taxpayers or non-U.S. entities in which U.S. taxpayers hold a substantial ownership interest
- Aims to improve reporting of non-U.S. financial assets; withholding is the cost of not reporting.

What it means for...

U.S. Individual Taxpayers	Non-U.S. Financial Institutions	U.S. Financial Institutions	Governments Around the World
Must report information about certain foreign financial accounts and offshore assets, if the total asset value exceeds the appropriate reporting threshold.	To avoid being withheld upon, non-U.S. financial institutions must report certain information on U.S. accounts to the IRS.	U.S. financial institutions and other U.S. withholding agents must withhold 30% on certain payments to non-U.S. entities that do not document their FATCA status and report on certain non-financial, non-U.S. entities.	If a jurisdiction enters into an Intergovernmental Agreement* to implement FATCA, the reporting & other compliance burdens on the financial institutions in the jurisdiction may be simplified and they will not be subject to FATCA withholding.

* At the time of publication Emerging Macedonia could not find any information with regard to the Macedonian Government's efforts or plans on signing an Intergovernmental Agreement to implement FATCA.

Source: <http://www.irs.gov/Businesses/Corporations/Foreign-Account-Tax-Compliance-Act-FATCA>

NEW MEMBER



Inbox is only Archive and Data center in R.M, member of PRISM International. Currently 145 clients from the Telecommunication Industry , Pharmaceutical Industry , IT Sector , Bank & Finance Sector , Automotive Industry , Wholesale and retail traders , insurance companies , state institutions etc. are using our services . Additional to the commercial logic for outsource the archive & data, our clients are fully compliant with the Law for the archive material new regulations for office and archive work which is actual from 31.12.2013. Our unique and superb know-how in the field of Archive & Data management, proven by the extraordinary client satisfaction is even stronger with the partnership with DHS Worldwide, professional archive software provider from Florida, USA.

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Where did Macedonia's e-Government Momentum Go?

According to the various estimates, over 60% of Macedonians use the Internet and over 50% are active on a social network, however public institutions' productive use of these tools lags well behind. However a recent study by the Metamorphosis Foundation, showed that "gov.mk" web sites are primarily used for one-way communication and offer limited interactive functionality. It says that while most State institutions have had web sites since 2009 (featuring largely general and static content), only 2% of them offer actual e-services today. Thus the initial infrastructural and user adoption barriers have long been overcome, but the government's commitment to realize the time and cost-saving potential of these technologies seems to have waned. The Metamorphosis report concludes that a lack of high-level political will is to blame.**

In 2009, 71.9% of company respondents confirmed that they used at least one of the following available e-government services: e-tax, online employment

registration, e-procurement, the automated system for international cargo transport management and/or the Customs Administration's EXIM system.

Since that time, a few new e-government services have been added to help ease the administrative burden on businesses, including the ability to:

- gain access to property titles, topographic maps, aerial photos and land registry data from the Real Estate Cadastre;
- register a new company, verify the size of a legal entity, review and manage company debt information, submit your annual company financial reports and more at the Central Trade Registry;
- register new employees and make changes for existing ones at the State Health Insurance Fund;
- file information on employees' qualifying social insurance contribution years with the State Employment Agency's online.*

* Via a new interface promoted several days ago, documents submitted to the State Employment Agency should automatically update the State Health Insurance Fund's system.

** Read the Public Policy Paper: Increasing the use of gov.mk websites as tool for transparency, accountability and e-participation, available at: www.metamorphosis.org.mk.

NEW MEMBER



Roche, globally the leading innovator company in healthcare, invested 8.7 billion Swiss francs in research and development to develop state-of-the-art medicines and diagnostic tests that provide significant medical benefit, in 2013. In fact, Roche is the leading company in terms of R&D investments among all industries globally. Roche's five main therapeutic areas are oncology, virology, inflammation, metabolic disorders and central nervous system disorders. After the first establishment as Representative Office, in February 1999, now in 2014, Roche is celebrating its 15th anniversary of being present in Macedonia. In September 2013, Roche has changed its setup into Marketing Service Company. On the top of its great local support on diagnostics; Roche's main objective is to have the patients reach to the innovative medicines supplied thru high international standards. Roche is collaborating with authorities and health care professionals to establish a sustainable and modern healthcare infrastructure in Macedonia. In addition to the promotion of the registered products; with its investments on medical activities and clinical trials, Roche also continuously contributing to the education of scientific community in Macedonia.

Business, University and Government Representatives Agree: More Flexibility, Creativity & Communication Needed

With Macedonia's unemployment rate of young people aged 18-25 at over 50%, AmCham Macedonia organized a second event focused on advancing cooperation between universities and companies where panelists and audience members agreed that miscommunication and misinformation continue to limit the potential scope and effectiveness such cooperation. While a small minority of Macedonia's largest organizations host impressive internship programs and cooperate regularly with universities in a number of ways, the general sense is that more flexibility, creativity and communication are needed to prepare Macedonia's young people for work.

Event participants agreed that the Law on Higher Education's requirement that all university students (currently numbering almost 60,000 nationwide) intern for at least 30 days per academic year is unrealistic and therefore encourages "pro forma" internships and forgeries. Dr. Andrew Goodspeed, Provost and Pro Rector for Academic Affairs at South East European University, said that the requirement distracted

"In the United States, no one is talking about graduation rates anymore; only about graduate employability." – Dr. Andrew Goodspeed, SEEU



Dr. Nikica Mojsavska Blazevski, Dean of University American College's Business School, said this is at least partially explained by the fact that Macedonia has just 3,000 companies with 100 employees or more, meaning private sector resources available to design and host such programs are very limited.

Those present agreed that the 30 day minimum was also generally too low to bring any real benefit to the host organization or the student. Thus, it appeared to be an attempt by lawmakers to check the "real world relevance" box for the country's higher education programs with minimal



cost and effort. Borco Aleksov, Deputy Head of Sector for Higher Education at the Ministry of Education and Science, insisted that the Law on Higher



Education allows creative approaches for students to gain practical knowledge and can always be changed if it is deemed to be problematic in some way. He pointed out that universities were responsible to take measures to ensure that their students' internships were substantive and met learning goals, not the Ministry.

Panelists agreed that, though important for the development of soft skills, internships were not the only way for universities to increase student readiness for the workplace. Universities working in the



country also need to work continually to ensure the relevance of their standard programs to the "real world" via practices such as encouraging balanced profiles of teaching staff with academic and private sector experience, case-based classroom learning, inviting relevant guest speakers from the business community, in-class team project simulations based on real business needs and more. The current Law on Higher Education says nothing on these key matters but does now require universities to include representatives from business on their academic councils. Panelist Dr. Biljana Sekulovska Gaber, Vice Dean of Cyril & Methodius University's Faculty of Economics applauded this requirement and said that without it, State universities would likely remain closed to feedback from outside academia.

Panelist Romela Popovik Trajkova, Head of Economic Policy, Structural Regulatory Reforms & Investments in the Cabinet of the Vice Prime Minister for Economic Affairs, highlighted the government's Innovation Fund which should be launched this summer, as a cooperation opportunity that would require proactivity from both the business and university communities. She explained the Fund could be used to support university incubators, technology absorption in companies of all sizes as well as commercialization of university projects. She pointed out that companies generally tended to drive such efforts in other countries, however private sector funds are very rarely applied toward projects in Macedonia. Ideally, she said costs of such projects would be shared, which is how Innovation Fund projects will be designed (e.g., 80% public funds, 20% private).

On that point, Dr. Dimitar Trajanov, Dean of Saints Cyril & Methodius University's Faculty of Information Sciences and Computer Engineering, said that there was a very low "innovation culture" in the country, which partially explains Macedonia's extremely low IPA funds absorption rates. Dr. Mile Stankovski, Dean of Saints Cyril & Methodius University's Faculty of Electrical Engineering & Information Technologies

said that his faculty had established roughly €1 million in cooperation over the past 3 years.

AmCham Macedonia invited Richard Norment, a specialist on public-private partnerships, to open and facilitate discussion at the event.





Norment offered relevant insight into a number of PPP models that could create a win-win situation for both businesses and universities, rather than such cooperation primarily being treated as a form of philanthropy. These included Volkswagen’s construction of a prototype factory on university property in Chattanooga, Tennessee to enable a German-style apprentice program to prepare highly-skilled factory floor technicians. He pointed out that significant company investment and commitment was needed in this case, incentivized by their drive to create and provide access to the right talent in the local community. Norment said cooperation between the corporate sector and academia was a logical way to meet higher education’s infrastructural needs, overcome budget constraints and maintain pace with international trends. He said big business stood to gain from an increased talent pool available on the labor market.

Representatives of many of the largest international companies present at the event offered mixed reviews on their experiences cooperating with local universities. While some expressed complete satisfaction with universities’ openness and readiness for cooperation, others cited passivity on the part of university officials. One organization highlighted the need to increase the flexibility of

study programs to allow students to “pause” their studies in order to carry out intensive internships. Another pointed out that university resources dedicated to developing projects and programs with the private sector needed to be increased to ensure appropriate follow up and proactivity. Another company representative who oversees a comparatively large internship program said the faculty didn’t systematically seek any feedback from them on internships carried out with their students. Still another said that the lack of responsiveness to private sector feedback on standard curriculum is a major concern.

AmCham Macedonia recommendations:

- Internships should be required by the Higher Education Law for only the most critical professions (e.g., medical students, lawyers, engineers);
- Universities should continually increase the practical nature of their standard academic programs (e.g., guest speakers from the business community in classrooms, hiring teaching staff with practical work experience);
- More data is needed on employment rates by university degree. State program resources should be applied toward increasing employability of the workforce, not increasing the number of graduates;
- Universities should move quickly to include business sector representatives on their “Boards for public cooperation and confidence” as foreseen by the current Law on Higher Education;
- The Ministry of Labor and Social Policy should provide clear guidance on how companies should document student interns (e.g., form of contract);
- The Labor Law should be amended to allow companies to engage non-students (e.g., recent graduates) as interns; and
- Universities should increase the resources applied to developing, facilitating and overseeing various forms of cooperation with the private sector.

Increasing Cooperation Between Local & Foreign Companies in Macedonia



This June, AmCham gathered representatives from the locally- and foreign-owned businesses operating in the country, to help reduce perceived barriers between the two groups. In the lead up to the country's recent parliamentary elections, plenty of media attention was given to the impact FDI is having on the local economy, with many claiming that foreign companies largely operate as islands, without significant engagement in the local economy. Toward debunking this myth, we invited procurement professionals from just three major foreign investors: Johnson Matthey, EVN Macedonia and Van Hool to tell potential local partners what they are already procuring locally as well as what they'd like to buy locally in the future. The session also included practical advice on how interested and qualified local suppliers

should approach these companies and what they should expect in terms of procurement procedures.

All presenters recognized the work of a number of local suppliers who successfully transformed their businesses to meet the internationally-accepted standards required by their procurement policies. They also cited examples where they had recommended local suppliers to other affiliates, resulting in significant new export business. However, they also mentioned that many interested local suppliers do not manage to complete the standards compliance process, which can be long and demanding.

Since some of the most visible foreign investors work in the country's Technological Industrial Development Zones, a representative from the Directorate



PAST EVENTS



briefly introduced attendees with the special customs procedures applied there. Audience members agreed that these procedures are not well known nor understood among local business people and may be discouraging the very cooperation that all sides want to see.

It also became clear during Q&A that many foreign companies do not currently cooperate with local financial institutions, consulting houses or law firms,

since contracts for these type of services are concluded on a global level. However, presenters emphasized that they are open for future cooperation and invited all interested companies to submit proposals.

Event participants gave the event a high rating and pointed out that practical, business-centered gatherings of this type are crucial for increasing the engagement of local companies in the supply chain of international companies working here.



NEW MEMBERS



GAEA Green Alternative Energy in Macedonia mainly provides consulting, operational and environmental services including the removal of post-use consumer and commercial/industrial waste for use as an alternative to conventional fossil fuels and raw materials, primarily from TITAN's Cementarnica Usje cement kilns. The use of these materials provides "win-win" scenarios that reduce costs, conserve fossil fuels, provide an environmentally-friendly means of handling consumer and industrial waste and reduce the carbon footprint of energy consumers as well as provide local societies with waste management services that are safe, tested and sustainable.

AmCham IPR Professionals Work with Local Teachers

By adapting World Intellectual Property Organization's educational publications *Learn from the Past, Create the Future: Inventions and Patents* and *Learn from the Past, Create the Future: Arts & Copyright* into Macedonian and Albanian in 2013, AmCham Macedonia provided the country's first comprehensive pedagogical tool on this subject for use by local elementary and middle school teachers. To raise general awareness and encourage the use of these tools, AmCham organized an interactive workshop where 55 local educators were introduced to local business people working in industries that rely heavily on



Intellectual Property Rights Day. AmCham would like to thank our facilitators:



innovation and protection of their IP. Then, teachers reviewed sections of the educational materials and exchanged opinions about creatively introducing them into their classroom routines in a number of subject areas. The gathering brought teachers from across Macedonia together with IPR professionals working in Skopje and active in AmCham's IPR committee.

Participants agreed that the subject was relevant to a wide variety of subjects and was needed to raise awareness among students and that these publications provided a great starting point. Teachers also commented on the importance of a stable internet connection in their classrooms and enough training in order for them to properly teach this subject to the target age group of 9-14 year olds.

The event was organized on April 25th, 2014 as part of AmCham's regular activities to mark the World

- Biljana Janeva, OEM Antipiracy Manager for Adriatic & South Balkan CEE, Microsoft Macedonia and Chairman of the IPR Committee;
- Eli Mufishovska, Branch Office Manager, SNB React;
- Vlora Ademi, Academic Program Manager, Microsoft Macedonia;
- Ljupka Noveska, Attorney at Law, Karanovic & Nikolic;
- Elizabeta Dimovska, Administrative Manager, SNB React as well as our two guest speakers:
- Jasna Petkov – Stojanovic, innovator of post – maternity underwear and
- Biljana Gjorgiovska Angjushev, designer and creator of the brand "Bilia", without whom this event would not have been possible.



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AmChams from Across Europe Meet in DC

Early this May, twenty-two delegates representing twenty-one American Chambers of Commerce from across Europe and beyond came together in Washington, DC for a series of high-level government and stakeholder policy meetings as part of their annual Transatlantic Conference. AmCham Macedonia was represented by Executive Director, Michelle Osmanli. As every year, the visit is an opportunity for AmChams to touch base with one another while highlighting the importance of Europe as a U.S. investment destination and the strength of the AmCham network to a number of key Washington-based institutions. To this end, high level meetings were held with the U.S. Chamber of Commerce (USCOC) on topics ranging from the institution's global priorities and upcoming plans for initiatives on the continent, ways in which USCOC can enhance and compliment the work of national AmChams, insight into USCOC's methods of encouraging the election of business-friendly politicians across the country and the strategic priorities of their Energy Institute.

AmChams also got a firsthand update on the Transatlantic Trade and Investment Partnership negotiations from David Weiner, Deputy Assistant U.S. Trade Representative for Europe and met with Julieta Noyes, Deputy Assistant Secretary for Europe and Eurasia



at the U.S. Department as well as Ambassador David Thorne, Special Advisor to Secretary of State Kerry. The visit included the launch of the organization's latest publication, *Together for Jobs & Growth: The Transatlantic Trade & Investment Partnership*, as well as the presentation of a recently updated *Case for Investing in Europe*.

AmCham representatives left with a stronger sense of Washington, DC's current hot topics and policy priorities both domestically and in with respect to the European continent.

Regional AmChams Meeting in Pristina

AmCham representatives from Kosovo, Albania, Montenegro and Macedonia met in Pristina this June to continue building links between our organizations that will facilitate advocacy support and coordination, develop B2B opportunities for our members and exchange best practices knowledge on a number of core AmCham activities. The conference included over 100 attendees, primarily from the AmCham Kosovo and Albania communities, who compared notes on their activities in the issues areas of human capital development as well as legal and financial reform.

Attendees heard from Director General of Kosovo Customs Lulzim Rafuna about his institution's

impressive project aimed at eliminating unnecessarily long waits for Albanian trucks entering Kosovo by sharing key data well in advance of the trucks arrival at the border. He said the same project would be developed in partnership with the Macedonian Customs Administration in the coming year. The group agreed that regional economic integration – aimed at fulfilling the often-heard claim that the Western Balkans should be considered a consumer market of over 55 million people – depends largely on the success of precisely these types of cross-border infrastructural projects.

AmCham Macedonia Member List 2014

PATRON

Alkaloid, Inc. 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
 Wabtec MZT, Inc. Skopje

CORPORATE

Alliance One Macedonia, Inc.
 ArcelorMittal Skopje (CRM), Inc.
 ASSECO SEE, Ltd. Skopje
 Avon Cosmetics, Ltd. Skopje
 Avto Moto Sojuz na Makedonija
 Cementarnica Usje, Inc. Skopje
 CISCO Systems Macedonia, Ltd. Skopje
 Deloitte, LLC Skopje
 DHL Express Macedonia, Ltd. Skopje
 Diners Club International MAK, Ltd.
 European Bank for Reconstruction
 and Development
 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
 I&F McCann Grupa, LLC
 IBM Representative Office Skopje,
 Macedonia
 IMB Mlekara, Inc. Bitola
 Johnson Matthey, Ltd. Skopje
 KN Karanovic & Nikolic, LLC
 Komercijalna Bank, Inc. Skopje
 KPMG Macedonia, LLC Skopje

Makedonijaturist, Inc. Skopje
 Makpetrol, Inc. Skopje
 Makstil, Inc. Skopje
 Merck Sharp and Dohme, MSD
 Neocom, Inc. Skopje
 ONE Telecommunication Services, Ltd.
 Oracle East Central Europe
 Representative Office Skopje
 Philip Morris, Ltd. Skopje
 PIVitaminka, Inc. Prilep
 PricewaterhouseCoopers, Ltd. Skopje
 ProCredit Bank, Inc. Skopje
 *Roche Macedonia, LLC Skopje
 Savings House Moznosti, LLC Skopje
 Seavus, Ltd. Skopje
 Soravia Invest, LLC Skopje
 *Sparkasse Bank Macedonia, Inc.
 Stopanska Bank, Inc. - Skopje
 TechnoLogica, Ltd. Skopje
 The Coca Cola Company
 Tinex-MT, Ltd. Skopje
 Unija Finansiska Skopje, LLC
 *UNIQA, Inc. Skopje
 Universal Investment Bank, Inc. Skopje
 Van Hool Macedonia, Ltd.
 Veropulos, Ltd. Skopje

BUSINESS

Alpha Bank, Inc. Skopje
 Analysis and Advisory Group, LLC
 Bauart Group, LLC Skopje
 Cakmakova Advocates
 CEED Macedonia
 Crimson Capital Representative Office
 Skopje, Macedonia
 Ecotip, LLC
 Financial Company Mladinec, Ltd.
 *Forton MK, LLC Skopje
 Futura 2/2, Ltd. Skopje
 *Inbox Archive & Data Center, Ltd.
 Skopje

Infinite Solutions, LLC Skopje
 M6, LLC Skopje
 Macedonian Stock Exchange, Inc.
 Mepring Todor, LLC Skopje
 Netra, LLC Skopje
 Nextsense, LLC Skopje
 Nova International Schools Skopje
 Pashoski Tobacco Dealer, Ltd. Skopje
 Polenak Law Firm
 Savings House FULM, LLC Skopje
 Sinpeks Bitola, LLC
 Skopje Jazz Festival
 Skopski Saem, LLC Skopje
 Teteks, Inc. Tetovo
 Tikves Winery, Inc. Skopje
 Tim Point, Ltd. Skopje
 University American College Skopje
 VezeSharri, LLC
 Vino - M, Ltd. Skopje
 Vitalia Nikola, LLC Skopje
 Vivaks, LLC Skopje
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NGO

Habitat for Humanity Macedonia
 Konekt
 LinkAcross - Skopje
 QSI International School of Skopje

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 IWM Network, Ltd.
 Kristina Kostovska Notary
 Meloski Consulting, Ltd. Skopje
 Monevski Law Firm
 Motiva, LLC Skopje
 Ultranet Ultra, Ltd. Skopje

 *New Member

AmCham Advantage Program

Member to Member Discounts

The AmCham Advantage Program offers valuable discounts to members in good standing at AmCham member establishment. Detailed information about the program and updated information on discounts is available on the AmCham Macedonia website: www.amcham.com.mk (under Membership>Advantage Program). If you are interested in participating in this program, please email info@amcham.com.mk



NEW MEMBERS



Forton Macedonia is a premium advisory company with main focus on commercial real estate. We are a subsidiary of Forton International and Bulgaria's largest real estate holding company AG Capital, and an Alliance Partner of Cushman & Wakefield, the world's largest privately owned real estate advisory firm, for Bulgaria, Serbia, Macedonia and Kosovo. Cushman & Wakefield is our gateway to investors in more than 60 countries all over the world. We employ this hands-on experience to add value to our clients' real estate projects and developments. Our main service lines include: CAPITAL MARKETS & CONSULTANCY SERVICES (Market research and analysis / Feasibility studies; Valuations and strategic advisory; Occupier strategy; Property due diligence; Investment sale structuring and transaction integration; Project management;), RETAIL / OFFICE / LOGISTICS SPACE LEASING (Tenant representation: "stay versus go" analysis; contracts review; availability reports; negotiations with landlords; Landlord representation: tenant mix/profile preparation; lease strategies; marketing; transaction integration;), PROPERTY MANAGEMENT (design consultancy; management structure; organization of service contracts; Facility management; Financial services). Forton has the following competitive advantages:

- Strict compliance with Cushman & Wakefield's methodology and professional quality standards
- Full compliance with the Royal Institution of Chartered Surveyors (RICS)
- Real estate financial & valuation models prepared by a Chartered Financial Analyst (CFA)
- Complete coverage of the Macedonian commercial real estate market with office transactions (leases & renegotiations) and retail lease transactions.



Sparkasse bank Macedonia Inc. is owned by Steiermärkische Bank & Sparlassen AG, Austria's oldest and largest financial institution and a leading financial institution in southern Austria. Sparkasse bank Macedonia Inc. offers the full range of banking services for entrepreneurs and private clients, striving to ensure high efficiency and reliability. Sparkasse bank Macedonia Inc. can count on the long international experience gathered by the Steiermärkische Sparkasse and Austrian Savings Bank Group. The bank currently runs 26 branch offices across the country.



UNIQA is part of the leading Austrian insurance company UNIQA Insurance Group, since July 2009 when UNIQA Insurance Group acquired 70% of the shares owned by Sigal UNIQA Insurance Group. According to its growth plan, since 2011 a separate life insurance company was formed UNIQA Life Inc. Skopje offering innovative life insurance products. As a leading European insurance group we have an obligation to actively engage in developing new products, to oversee and implement highest standards of quality and customer service, and together with our sales partners to implement strategies for success.



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Запознајте го новиот Windows

Windows 8
Прекрасен, брз, едноставен.

Во новиот Windows сè се врти околу тебе. Најважното те чека на твојот Start екран каде ќе ги најдеш сите твои контакти и апликации, за помалку да бараш, а повеќе да остваруваш.

Windows 8 Pro
Подготвен за работа.

Со Windows 8 Pro добиваш сè што доаѓа со Windows 8, плус побогата функционалност за полесно да се поврзеш со деловни мрежи, да пристапиш до твоите документи во движење, да ги енкриптираш твоите податоци и многу друго.

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.



Health above all



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