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AMCHAM
MACEDONIA

Welcome to AmCham 2019 yearbook!

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This publication highlights AmCham's major achievements in the past 12 months and offers an opportunity to learn about how we co-create projects and initiatives with our members.

AmCham's strong community of 139 member-companies, recorded membership retention rate of 95% in 2019.

The advocacy work in the past 12 months, remained to represent our backbone in building a more competitive business environment in the country, through numerous activities carried out by the Lawmaking & Implementation and CSR Committees.

AmCham's events in 2019, continued to provide an informative and relevant content, involving decision-makers from the private & public sectors, as well as the international community.

The 2019 fiscal year, was concluded with a positive financial result, due to a careful and thoughtful planning and implementation. AmCham's financial reports have been audited by our member EY, stating that all figures provide an accurate view of the financial position and performance of the Organization.

2 0 1 9 I N N U M B E R S

139	member companies
53%	member engagement
1000+	active professionals involved
26	events
10+	advocacy meetings
91	e-newsletters to 2.000+ recipients
59	media mentions
6.000	new website visitors

AmCham is a membership organization that includes many of the most successful, progressive and innovative companies working in North Macedonia.

In 2019, AmCham maintained 139 members across 5 membership categories: patron, corporate, business, entrepreneur and NGO.

MEMBERSHIP CATEGORY

PATRON	10 MEMBERS
CORPORATE	70 MEMBERS
BUSINESS	33 MEMBERS
ENTREPRENEUR	19 MEMBERS
NGO	7 MEMBERS

One of the AmChams' goals is to strategically grow its membership by encompassing more of the high ranked companies working in the Republic of North Macedonia.

The Board of Directors also provides an important assistance in the membership recruitment process. In 2019, a total of 18 membership applications were approved by the AmCham Assembly.

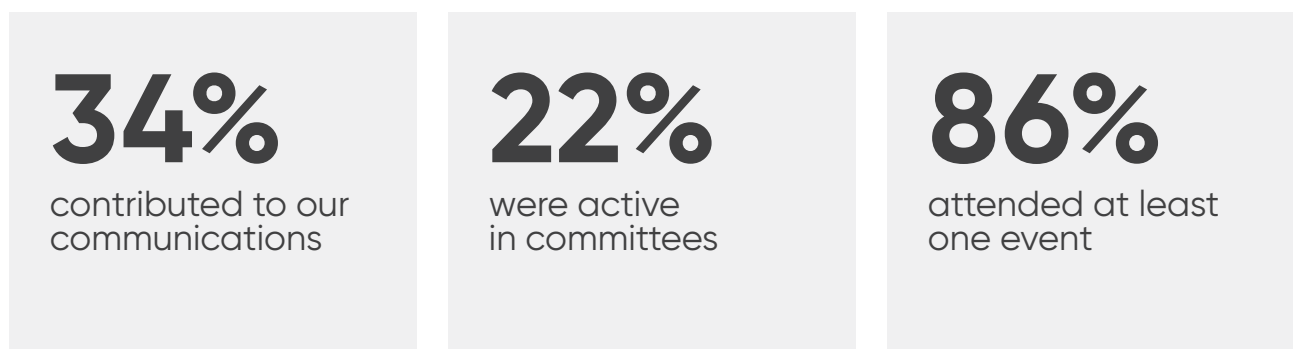
- | | |
|--------------------------|------------------------------------|
| 1. Radius Architects | 10. K.A.K. |
| 2. Advokat Martin Ivanov | 11. Inplayer HUB |
| 3. Law Firm Joanidis | 12. Financial Company Tigo Finance |
| 4. Baker Tilly Joanidis | 13. Kostal Macedonia |
| 5. Chicago Stone | 14. Doubletree by Hilton |
| 6. Aquasave | 15. Prilepska Pivarnica |
| 7. Propoint | 16. Halk Insurance |
| 8. Sorsix | 17. Kromberg & Schubert |
| 9. Maj Pizza | 18. Lear Corporation |

As in virtually, AmCham represents more than just American headquartered companies. In 2019, 22% of our members were headquartered in the United States, 50% were locally headquartered organizations and the remaining 28% were headquartered in a third country (mostly EU member states).



Member Engagement

As a membership organization, a key goal is to maximize member engagement throughout the year. In 2019, 53% of AmCham members actively participated in at least two activities (events, communications or committees), as follows:



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ADVOCACY HIGHLIGHTS



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Amcham's advocacy activities are primarily initiated and carried out with the support of committees on Lawmaking & Implementation and the Corporate Social Responsibility (CSR). These committees consist of different fields' professionals who by volunteering their time and expertise work on improving the local legislation in the country.

Lawmaking & Implementation Committee

Members: Alkaloid, BAT, Cakmakova Advocates, Deloitte, DMB Production, Euroins Insurance, Eurostandard Banka, EVN, EY, Facility Management Services, Granit, Grant Thornton, Halkbank, Inbox Archive & Data-Center, K.A.K., Karanovic & Partners, Komercijalna Banka, Kostal, KPMG, Law Firm Joanidis, Liberty, Martin Ivanov-Attorney at law in cooperation with Schoenherr, Nextsense, Philip Morris, Pivara Skopje, Polenak Law Firm, PricewaterhouseCoopers, Sparkasse Banka, Stopanska Banka, Tigo Finance, Tosic & Jevtic Law Firm, UACS, Vanhool.

Committee members in 2019, held several key meetings with:

- Ministry of Labor and Social Policy to discuss the Operational Plan for Active Employment Measures for 2020. The purpose of the meeting was to present the possibilities for obtaining skilled staff support through active measures and programs according to employers' needs. As a follow up of this meeting, AmCham members submitted information on their workforce needs for 2020. The goal of such action was to present the profile of workforce lacking to the current labor market
- Ministry of Labor and Social Policy, to discuss the draft Labor Law and consolidated feedback and comments by AmCham members, on this important piece of legislation
- Advisor to the Minister of Finance, Branimir Jovanovic, to discuss the latest amendment of the Corporate Income Tax and the draft Rule-book on Transfer Pricing issued by the Ministry. The committee representatives presented the comments and suggestions on the Rule-book, as a feedback provided on this topic by AmCham members, and discussed possibility for their implementation.
- Provided feedback and comments to the Government on the following legislation:
 - Law on Progressive Taxation
 - Labor Law
 - Law on financial support for salary increases
 - Law on Value Added Tax

CSR Committee

Members: Alliance One, Alkaloid, AMSM, BAT, Cementarnica Usje, Cevahir Gurup, DHL, Euroins, Gemak Trade, Granit, Grant Thornton, EVN, Habitat for Humanity, Halkbank, Inbox Archive & Data-Center, Johnson Matthey, K.A.K., Komercijalna Banka, KPMG, Liberty, LinkAcross, Makedonski Telekom, Makpetrol, Makstil, Karanovic & Partners, Konekt, Martin Ivanov-Attorney at law in cooperation with Schoenherr, McCann, Nova International Schools, Okta, Pakomak, Pivara Skopje, Sasa Mine, Savings House FULM, Sparkasse Banka, Stopanska Banka, Tigo Finance, Tinex MT, UACS, Vanhool and Vitaminka.

- Organized public call for socially beneficial project proposals for financial support. All civil society organizations (CSOs) in the country and AmCham members had chance to apply in one of the following categories:
 - Better Business Environment
 - Corporate Social Responsibility
 - Education, Innovation, Employability and
 - Export Promotion.

Out of total 39 applications received, 3 were selected as final to be presented at charity event. Selection of these applications, was made by members – volunteers of the CSR committee.

- Held a presentation of the platform for redistribution of food surplus – Site Siti (Everyone Fed).

General Advocacy Outreach

- AmCham delegation met with the Prime Minister Zoran Zaev. A group of several AmCham members (Ljupco Georgiev of Microsoft, Nikola Ljushev of Makedonski Telekom, and Borijan Borozanov of Aptiv) discussed with the Prime Minister Zaev some of the current economic issues, such as the regulatory environment for businesses, lack of qualified workforce and the state strategy for foreign direct investments.
- Joint meeting with Pivara Skopje and American Council of Young Political Leaders (ACYPL) to provide an overview of the general economic situation in the country.
- Attended a public debate on the Draft Law for amendments of the Law for financial support of companies held at the Government of North Macedonia.
- Meeting with the Minister of Labour and Social Policy, Mila Carovska, to discuss the lack of available and qualified workforce. At this meeting it was decided to pursue joint activities directed at bridging the gap between the supply and demand on the labor market.
- Attended a Scenario Planning Workshop organized by the United States Agency for International Development (USAID). The objective of the workshop was to explore high-impact, high-probability scenarios for North Macedonia's development trajectory between now and 2030 and to analyze the challenges and opportunities for the development of the country.
- Participated in the discussion on the 2020 budget held at the Ministry of Finance. The objective of the debate was the presentation of the main postulates of the 2020 Budget Proposal to international institutions, civil society organizations, chambers of commerce and trade unions.
- Attended the meeting of Expert Discussion on the Results of Fiscal Policy Analysis. Marjan Petreski and Pavle Gacov presented the initial analysis of the Fiscal Policy Analysis.
- Participated in the social dialogue over the increase of the minimum monthly wage from MKD 12,507 (EUR 203) to MKD 14,500 (EUR 236) at the Government of North Macedonia. The goal was to point out that the increase of the minimum wage should be accompanied by serious and decisive reforms of the business environment, such as curbing corruption, eliminating the grey economy, establishing a level playing field, and providing a transparent and predictable legal environment so that businesses can thrive and increase their revenue, which would lead to even higher salaries.
- Meeting with representatives of the International Monetary Fund to discuss the business environment in the country with a focus on tax treaties and tax policies to attract foreign investors.
- Meeting with the President of North Macedonia, Stevo Pendarovski. A delegation of ten member companies met the President and discussed the current economic climate and issues that obstruct economic growth. AmCham is prepared to fully stand behind and support a strategy for economic growth that is based on the assessment and recommendations of the participants in the real economy and reflects a shared vision for economic and societal progress.

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EVENTS & ACTIVITIES

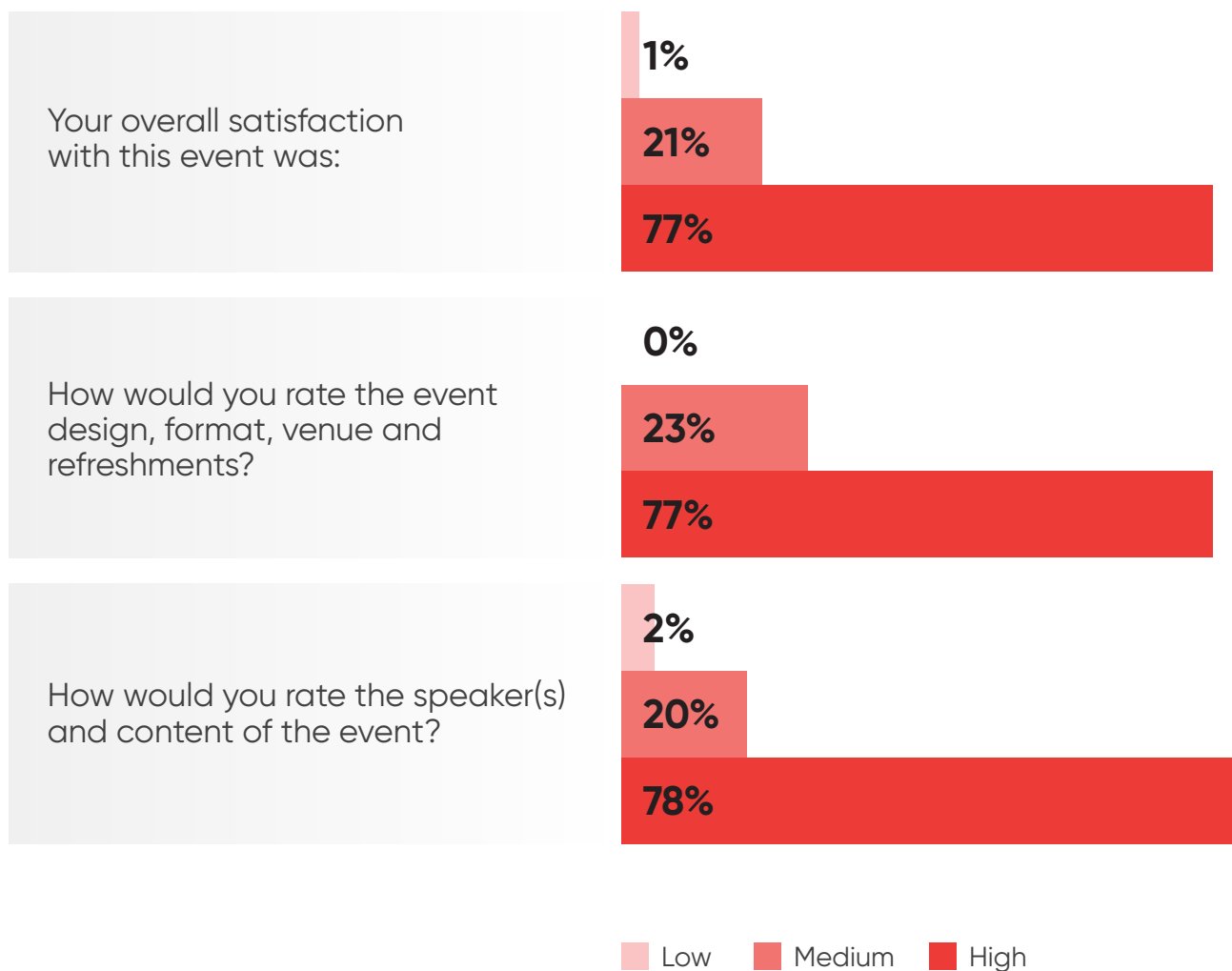


AMCHAM
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In 2019, AmCham continued serving as a proactive forum on various topics, again confirming its position as an active foreign business association in the country. Our impressive repertoire of activities and events included 26 gatherings that attracted over 1.000 attendees.

Event Participant Feedback

AmCham systematically collects event participant feedback to help continuously improve the value of events and activities. The following graphic summarizes the consolidated results of all 2019 surveys.



Leadership Luncheon with the Minister of Finance

More than 40 CEOs of our member companies attended a business luncheon with Dragan Tevdovski, Minister of Finance at the Government of the Republic of North Macedonia.

At this meeting, Minister Tevdovski presented the current and future plans of the Ministry regarding tax and finance reforms as well as discussed ways how the business sector can be involved in the decision-making process.



Leadership Luncheon with the Deputy Prime Minister and Minister of Labor and Social Policy

Member of AmCham had business luncheon with the Deputy Prime Minister for economic affairs and coordination with the economic sector, Koco Angjushev and the Minister of Labor and Social Policy, Mila Carovska, to discuss the lack of qualified workforce in the country.

Both guests, presented the Government's plan and activities for tackling this issue and how the private sector can become more engaged and contribute to the efforts to solve this pressing problem in the country.



Women's Economic Empowerment Panel

To mark the Week of Women's Rights and Gender Equality, AmCham in cooperation with the National Democratic Institute in North Macedonia organized Women's Economic Empowerment panel discussion, featuring: the U.S. Ambassador to North Macedonia, Kate Marie Byrnes; Liljana Zaturaska, Member of the Parliament of North Macedonia; Jovana Trencavska, State Secretary at the Ministry of Labor; Dana Stojkova, Country Manager of Avon, Stefan Peter, Board President of EVN and Sneshka Ilikj, a researcher at NGO Reactor. The six prominent guest-speakers discussed the situation on the ground as well as global best practices, offering practical mechanisms to address gender - based issues in the country.

The key remarks that emerged from the discussion were raising awareness among policy makers about the relevant gender aspects of different policy areas, such as: employment, gender budgeting, dividing parental leave, flexible working hours, consistency in policies, and cooperation between different stakeholders in the society, especially in the rural areas, as well as applying good practices and examples from the other economies

Ambassador Jess L. Baily Farewell Reception

Early last year, a Farewell cocktail reception was organized for the outgoing Ambassador of the United States to Macedonia, H. E. Jess L. Baily, and Mrs. Capie Polk Baily.

Ambassador Baily has served as the Ambassador of the United States to North Macedonia for four years and has not only consistently supported the activities of AmCham, but also actively promoted the Republic of North Macedonia and contributed to the quality of business relations with the United States of America.



Welcome Cocktail for the new U.S. Ambassador Kate Marie Byrnes

Short after arrival in the country, AmCham members had chance to meet in person the new U.S. Ambassador Kate Marie Byrnes at a cocktail reception.

Ambassador Byrnes addressed over 70 businesspeople, outlining the forthcoming priorities on her agenda: generating new opportunities for prosperity through cooperation and exchange programs and maintaining strong people – to – people ties and shared democratic values. The Embassy enjoys a strong, collaborative relationship with AmCham.



Transfer Pricing Seminar with Ministry of Finance & EY North Macedonia

Valuable information on the new draft Rulebook on Transfer Pricing, directly was shared by the Adviser of the Minister of Finance of North Macedonia, Branimir Jovanovic to a group of 50 businesspeople. Lively discussion was held about the mandatory reporting, methods and the process harmonization with the international practices and standards.

As an addition to this seminar, our member EY provided first-hand information on this topic by their colleague-expert from the local office in Bulgaria.



Social Marketplace Event

One of the values we share with our members is Giving Back to the Community. Toward that direction, last year with the help of our CSR Committee members, we organized a fundraising event, to provide an opportunity to a three socially beneficial projects, to present their ideas and goals in front of the AmCham members.

In just two hours, a roughly EUR 25.000 was raised needed for implementation of these three projects:

- It Is Up to You – a project for people with disabilities who will receive training and the opportunity to work in the catering sector.
- Lag Prespa – a project for socially endangered individuals from Prespa, who have learnt to grow organic products and engage in social entrepreneurship.
- Forest School – a project for children and young people, providing them an opportunity to get to know and love the nature, through scout activities.

Motivation Seminar (part 1 & part 2)

Strategies for transforming unmotivated employees into motivated ones, were shared Anita Tomevska, an internationally certified Neuro Human Behavior Specialist.

More than 60 HRs attended this two-session seminar, focused on thorough unique strategies, providing innovative motivational patterns for employees.



Having More Productive Meetings – seminar

Lively discussion on the topic How to Lead Effective and Productive Meetings, was led by Miroslav Draganov, coach and public speaker.

Participants got insights and recommendations on practical and fully interactive everyday techniques that they can use as a tool to have more effective and productive meetings. Draganov, covered topics such as: scheduling meetings effectively, content planning and meeting structure, tips for effective PowerPoint presentations and the fastest way to arrive at a collective decision.



M2M Session with Gentherm on Performance Management

Why a good performance management is essential for every company? – as a topic was discussed Vasil Kostovski, HR Director at Gentherm.

He shared some insights on the performance evaluation process at his company, helping attendees to improve their understanding of effective performance management and recognize its importance and benefits.

Kostovski also identified the role and responsibilities of the employees in charge of conducting the performance management processes.



M2M Session on Eliminating Eight Wastes

In cooperation with our member Link Across, our members had chance to learn more about the concept of Eight Wastes by the renowned U.S. expert, Mark D. Loewen.

He talked about eliminating the eight wastes/losses that prevent companies from providing value to their customers.

The seminar helped the participants to classify each of the areas of potential waste: Transportation, Inventory, Motion, Waiting, Overproduction, Over – processing, Defects, and Skills. It also provided them some practical solutions of finding and reducing waste in the service processes or in manufacturing.



M2M Session with Pepeljugoski Law Firm on the Prespa Agreement

What are the implications of the Prespa Agreement and how that will affect to the businesses in the country? – is own of the questions that were answered by our member, Valentin Pepljugoski, Ph.D., Attorney at Law & European Patent Attorney at Pepeljugoski Law Firm.

He provided insights that clarify the implications of Prespa Agreement has over IP rights, protection of trademarks & brands, as well as patents and innovations.

The discussion had also included a useful information about the mandatory changes that companies need to undertake with the change of the country's name.



M2M session with IWM Network on Digital Marketing

Our member, Damjan Dano, digital marketing expert and Co-founder of IWM Network delivered useful presentation on the meaning of digital strategy and tools for digital marketing campaigns.

He provided attendees with a basic overview of Digital Marketing Intro; Basics of a Good Corporate Website; Search Engine Optimization (SEO); Online Media Buy and SE Marketing; Digital Transformation Trends; Data Analytics and Tracking; and many more useful tools in the world of digital marketing.



M2M session with Ibis Instruments on Creating Cyber-Resilient Organizations

The last in the series of Member2Member learning session held in 2019, was dedicated to Creating Cyber Security Resilient Organizations and was delivered by our member Ibis Instruments.

The workshop was led by Ana-Maria Matejic, an executive-level cyber security market expert with in - depth knowledge of cyber security technologies, risk management, and cyber security auditing.

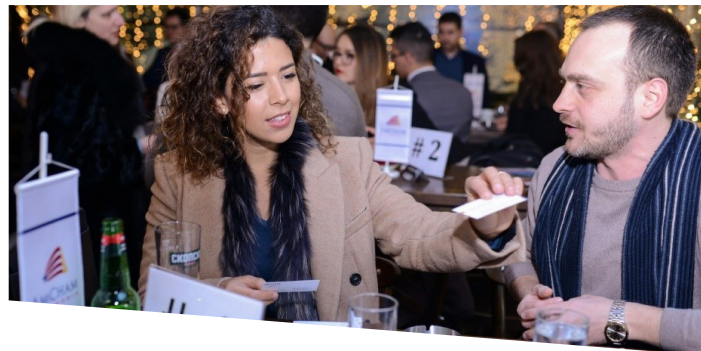
Participants got insights and recommendations on how to build and maintain their organization's cyber-resilience plan, understand the maturing path from cyber security strategy to cyber – resilience strategy, and its importance for the Board of Directors.



Young Professionals Speed Networking

These types of events offer the young professionals an opportunity to network, exchange ideas, share best practice and knowledge with other like-minded individuals from the business and public sector.

Continuing that concept of networking, last year we hosted three events of this type and gathered over 150 participants.



Other Key Activities

We are proud to be part of **AMCHAMS IN EUROPE (ACE) NETWORK**, comprised of 45 Chambers in 43 countries with more than 17,000 member companies employing over 20 million workers.

This is an influential network, accredited by the largest business association in the world – the 3-million member-strong U.S. Chamber of Commerce in Washington, D.C.

AmChams in Europe meet twice a year to discuss relevant issues and share best practices.

In 2019, AmCham attended the Annual Conference in Washington and Seattle, May 12–17 and the Best Practice Conference in Belgrade, October 16–19.



The **AMCHAM BOARD OF DIRECTORS** played a significant role last year, helping the organization to position as one of the leading voices of the international business community in the Republic of North Macedonia.

Besides the general focus, the AmCham Board of Directors had a list of other activities in 2019, such as: oversight of the committees' activities; advocacy initiatives and developments; executive office performance assessment; event planning and assessment; dues collection and financial management; new members recruitment and applications review; review, approval and updating the 2019 workplan & the proposed budget.

President

Ljupco Georgiev
General Manager
Microsoft

Secretary-Treasurer

Dragan Davitkov
Country Managing Director
PricewaterhouseCoopers

First Vice-President

Jelena Arsovska
Managing Director
McCann Skopje

Untitled Board Members

Nikola Ljushev
CEO
Makedonski Telekom

Second Vice-President

Maja Filipceva
Head of Tax and Outsourcing
Grant Thornton

Mihael Solter
General Manager
Philip Morris – Tutunski Kombinat Prilep

Marjan Petreski
Vice-Rector for Research
University American College Skopje – UACS

The **AMCHAM BUSINESS VISA PROGRAM** continued to provide expedited and more convenient business visa applications processing. In 2019, the AmCham staff helped 7 member companies to reduce stress for the visa applications of their employees.

Our communication efforts are channeled via 5 primary communication media: **Facebook, LinkedIn, www.amcham.com.mk, AmCham Magazine and weekly e-newsletters.**

HIGHLIGHTS:

6000	new website visitors
358	new followers on Facebook
479	new followers on LinkedIn
91	weekly e-newsletters to 2.000+ regular recipients
3000	hard copies of the AmCham Magazine of 3 issues covering important topics such as: <ul style="list-style-type: none"> • Digital Transformation • Joining the European Market – Opportunities and Challenges • Tourism – a Macedonian Adventure
1.229	online magazine views / readership statistics

Special thanks are due to our many magazine article contributors:

- **Emir Dauti**, Marketing Coordinator – K.A.K.
- **Damjan Petreski**, Founder – Paddle Club
- **Ana Labor**, Owner – Spirit of Prespa
- **Antonio Kuzmanovski**, Founder – Webgliders, When in Krusevo and When in X
- **Aleksandar Celeski**, Executive Director – DUEL Consulting
- **Blagica Petreski**, Chief economist and Executive Director – Finance Think
- **Marija Risteska**, Executive Director and **Ana Krstinovska**, Program Manager – Center for Research and policy Making
- **Freek Janmaat**, Head of the Section for Economic Development, Institution for Building Cross Border Cooperation – EU Delegation in Skopje
- **Valentin Pepeljugoski**, Attorney at Law & European Patent Attorney – Law Office Pepeljugoski
- **Ljupco Veselski**, Export Manager – Vitaminka
- **Damjan Dano**, Co-Founder and Partner – IWM Network
- **Stojce Taskov**, Founder & CEO – Inbox Data Archive & Data Center
- **Ognjen Blazeovski**, Head of Banking Operations Division – Sparkasse Bank
- **Nina Angelovska**, President of Macedonian eCommerce Association, Founder & CEO – Grouper.mk
- **Gjoko Tanasoski**, Director – Customs Administration
- **Veronika Stojanoska**, e-Commerce Marketing Assistant – Tinex MT
- **Atila Selim**, Head of Alternative Distribution Channels Department Marketing – Halkbank.

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AmCham

FINANCIAL
STATEMENTS



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Income and Expense Statement for the year ended December 31, 2019

Audited report

	2019	2018
	in MKD	in MKD
Membership fees	8.178.548	7.534.296
Donations	273.173	1.043.169
Advertising	141.427	142.821
Interest income	-	83
Total income generated in the year	8.593.148	8.720.369
Transferred prior year excess of income	4.342.345	3.007.199
Total income	12.935.493	11.727.568
Personnel expenses	(3.134.740)	(3.178.650)
Professional services	(504.185)	(483.199)
Travel, training and conference att.	(347.182)	(250.250)
Magazine	(300.630)	(309.089)
Rent and utilities	(1.025.187)	(996.575)
Event expenses	(903.568)	(578.154)
Sponsorships, donations and memberships	(161.761)	(153.085)
Sensory garden project	-	(1.141.497)
Other	(324.561)	(294.724)
Total expenses	(6.701.814)	(7.385.223)
Surplus income over expenses	6.233.679	4.342.345
Income tax	-	-
Surplus income after tax	6.233.679	4.342.345

Statement of Financial Position for the year ended December 31, 2019

Audited report

	2019	2018
ASSETS	in MKD	in MKD
Current Assets		
Cash and cash equivalents	6.225.179	4.362.039
Other receivables	8.500	8.500
Total current assets	6.233.679	4.370.539
Non-current assets		
Equipment	76.980	141.506
Intangible assets	17.524	27.621
Total non-current assets	94.504	169.127
Total assets	6.328.183	4.539.666
LIABILITIES AND EQUITY		
EQUITY		
Accumulated excess of income	6.233.679	4.342.345
Business fund	94.504	169.127
Total Equity	6.328.183	4.511.472
LIABILITIES		
Current Liabilities		
Other payables	–	28.194
Total current liabilities	–	28.194
Total liabilities and equity	6.328.183	4.539.666

2019

patron
members



