



AMCHAM MACEDONIA 2017 ANNUAL REPORT

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LETTER FROM PRESIDENT AND EXECUTIVE DIRECTOR



Slavko Projkoski
President



Dijana Despodov
Executive Director

Dear AmCham Macedonia members and friends,

It is our pleasure to present you our 2017 Annual Report. The report offers an overview of our membership, events and activities, advocacy efforts, administration, and financial standing in 2017.

We had another strong year in 2017 in terms of membership loyalty and engagement, with 12 new members and a 65.8% member participation rate in our activities. Additionally, we hosted 25 events that attracted close to 800 participants. The participants' overall satisfaction with the events was also remarkable with 86% rating the events quality as high.

Our three committees continued to drive the agenda for creating a better business environment in Macedonia by providing feedback on draft Government regulations and growth and reform programs, shining a spotlight on important issues such as ethics in advertising and intellectual property rights, and elevating the role of the private sector in society through our Community Engagement & Responsible Business Conduct Committee.

Our communications channels reached more people than ever in 2017 with a 30% increase in unique page visits to our website compared to 2016, a Facebook page with over 4,000 followers, and a newly-created LinkedIn page.

Finally, we would like to acknowledge the invaluable contribution of Michelle Osmanli who led AmCham in 2017 and wish her all the best in her future endeavors.

Please feel free to contact either us with your thoughts and ideas on how to continue to grow and expand the influence and impact of our Chamber in 2018.

Sincerely,

Slavko Projkoski
Board President

Dijana Despodov
Executive Director

OVERVIEW

This annual report offers a look back at 2017 activities, our advocacy efforts, and year-end financials.

MEMBERSHIP

AmCham Macedonia is a membership organization that includes many of the most successful, progressive and impressive organizations working in Macedonia today. In 2017, AmCham Macedonia maintained 118 members across 5 membership categories: patron, corporate, business, entrepreneur and NGO.

The following table/chart summarizes our 2017 membership:

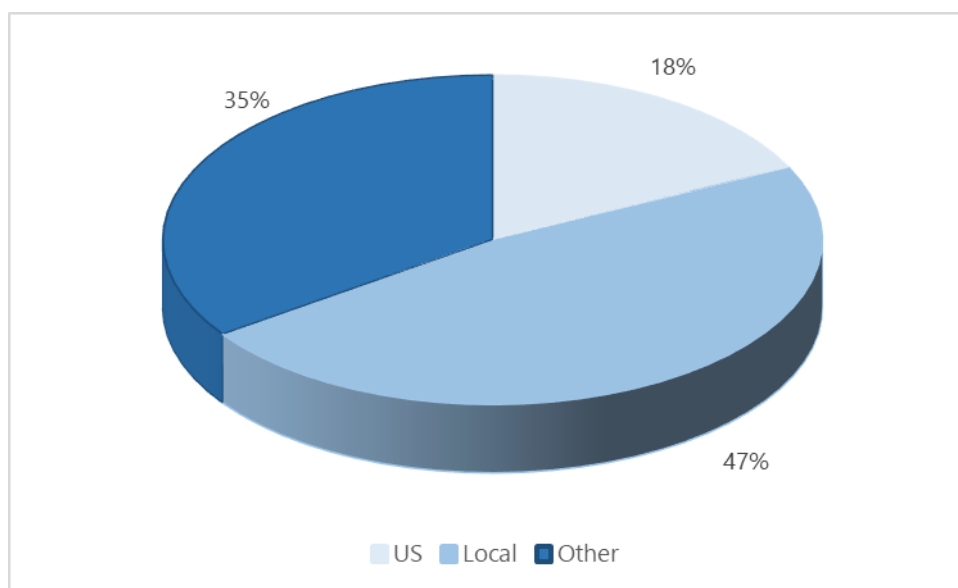
MEMBERSHIP CATEGORY	CATEGORY DEFINITION	NUMBER OF MEMBERS
PATRON	Top tier members who embody AmCham values and are strategic partners of the organization throughout the year.	9
CORPORATE	The annual worldwide turnover of the member company is >\$5 million or is fully or partly owned by a parent company that has a <i>global</i> annual turnover >\$5 million.	59
BUSINESS	The annual worldwide turnover of the member company is <\$5 million or is fully or partly owned by a parent company that has a <i>global</i> annual turnover <\$5 million.	31
ENTREPRENEUR	Micro or small companies with an annual turnover of <\$250.000	13
NGO	Non-profit organizations registered in Macedonia.	6

AmCham Macedonia is always looking to strategically grow membership to encompass more of the high caliber organizations working in Macedonia. AmCham's Board of Directors provides important assistance in the membership recruitment process. AmCham Macedonia received a total of 12 applications for membership in 2017.

In 2017, we welcomed the following new members:

- BI-MEK doo Skopje
- Central Property Management CP2M Central doo Skopje
- Delphi Electronic Systems Macedonia
- Digitron365 (Marketing 365)
- Frontwise Group doo Ohrid
- Piperevski & Associates
- New Moment New Ideas Company doo Skopje
- Novo Nordisk Farma dooel
- Orbiko doo Skopje
- TDR Skopje dooel
- Tosic & Jevtic Attorneys and Counselors at Law
- Stopanska Banka AD Bitola

As in virtually every AmCham in Europe, AmCham Macedonia represents more than just American headquartered companies. In 2017, 18% of our members were headquartered in the United States, 47% of our membership were locally headquartered organizations and the remaining 35% 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 2017, 65.8% of AmCham Macedonia members actively participated in the organization's events, communications and committees, as follows:

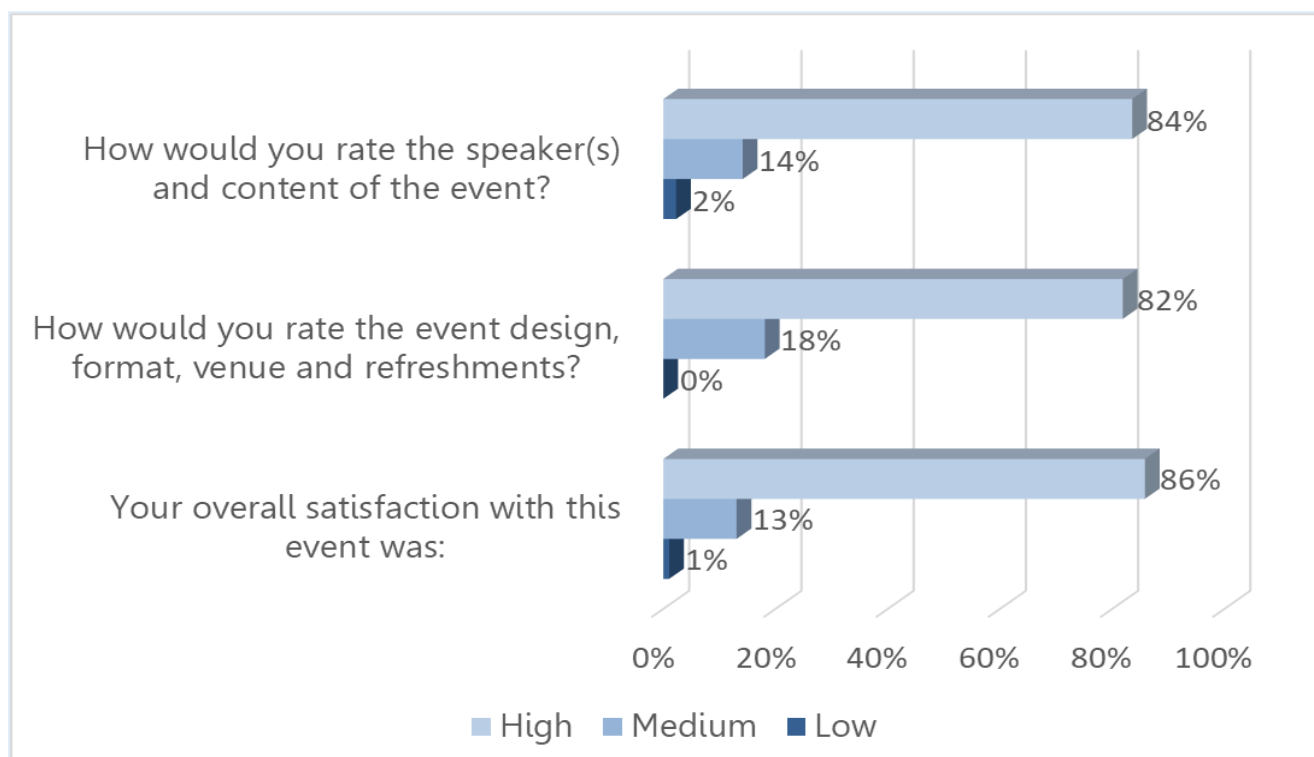
- 69% of our membership contributed to our communications
- 15% of our members were active in committees this year
- 78% of our members attended at least one event.

EVENTS & ACTIVITIES

In 2017, AmCham continued serving as a proactive forum on various topics, again confirming its position as the most active foreign business association in the country. Our impressive repertoire of activities and events included 25 gatherings that attracted 791 attendees.

EVENT PARTICIPANT FEEDBACK

AmCham systematically collects event participant feedback to help continuously improve the value of our events and activities. The following graphic summarizes the consolidated results of all 2017 surveys.





EVENT HIGHLIGHT: MEMBERS SHARE CSR BEST PRACTICES

Five AmCham member companies (Pakomak - ECO cafes & restaurants project; Sparkasse Bank - Employee humanitarian activity and Social entrepreneurship award projects; Feni Industries - Developing environmental public awareness with transparent brochures project; Roche - Share the Light Project, and Seavus with Seavus Incubator) shared insights on their annual award-winning CSR projects, recognized by the CSR National Coordinative Body.

EVENT HIGHLIGHT: MOTIVI LEADS SESSION ON HR CHALLENGES IN MACEDONIA

The founder and CEO, Norik Selimi initiated a dynamic discussion with representatives from 7 member companies from a variety of sectors at our latest Member-to-Member Learning Session. His presentation highlighted direct and indirect competition companies face when seeking talent on the local marketplace, particularly for employees with advanced IT skills. The group agreed that the current legal framework generally does not support flexible working arrangements that are becoming ever more popular around the world and in Macedonia.



EVENT HIGHLIGHT: DEVELOPMENT OF RETAIL PARK FORMATS WITH CBRE MACEDONIA

CBRE Macedonia's Managing Director, Goran Zivkovic, spoke about retail parks as new real estate opportunities. The event provided information on differences between Shopping centers and Retail parks; the key benefits on why Retail Parks attract the investors (low construction costs, short construction period, flexible layouts, lower rents and better logistical management options).

EVENT HIGHLIGHT: AMCHAM-MIM MIXER WITH BUSINESS JOURNALISTS

In cooperation with the Macedonian Institute for Media (MIM), AmCham organized a Mixer with Business Journalists. More than 40 member company leaders, corporate communications professionals and working journalists had an opportunity to expand their social and professional network. Many attendees expressed the hope that increased cooperation between the two sectors will increase knowledge exchange and other mutually-beneficial results throughout the year.



EVENT HIGHLIGHT: DELOITTE'S VIEW OF THE ERP TODAY

Deloitte's high level understanding of Enterprise Resource Planning (ERP) implementation, expansion trends globally and in the region and the need for companies to maximize the available benefits, was presented by the two professionals from Deloitte Macedonia and Serbia's, Tomislav Limbevski and Aleksandar Andrejin. Both presenters have highlighted the importance of engaging objective experts to provide quality assurance services prior to and during ERP implementations and expansions.

EVENT HIGHLIGHT: AMCHAM PROMOTES COOPERATION WITH LOCAL SUPPLIERS

AmCham organized a gathering of procurement professionals from foreign companies and potential local suppliers for the third year. Local companies from a variety of sectors had chance to meet with Delphi Electronic Systems Macedonia, Pivara Skopje and Lynx Europe (SASA mine). The session served to send the message out that cooperation with foreign companies can provide an important reference, open new markets and provide many possibilities for local companies. The main conclusion at this event was that there is still a lot of potential for collaboration and an increased cooperation between local suppliers could help them to be able to fill larger orders.



EVENT HIGHLIGHT: WHY DO (REDESIGNED) PERFORMANCE MANAGEMENT SYSTEMS MATTER?

Analysis and Advisory Group's Managing Partners, Verica Hadzi Vasileva-Markovska and Tereza Serafimova, presented the main advantages of successful Enterprise Performance Management System (EPMS) implementation, the pressing need for having an agile workforce and the value it brings both to the employees and the customers. AAG's team emphasized the role that HR leaders need to play in closing the gap that occurs with the rapid change in technology and the need for adaptability by individuals, businesses,

civil society and governments.

EVENT HIGHLIGHT: DELOITTE ON DOUBLE TAXATION & SOCIAL SECURITY CONTRIBUTIONS FOR EXPAT STAFF

Elena Atanasovska, Tax Consultant and Borce Smilevski, Tax Manager at Deloitte Skopje, shared their expertise on overcoming challenges related to companies reducing their tax and social contribution obligations with respect to expat staff. They provided concrete examples of cases they had managed, where companies were unable to take advantage of international agreements that Macedonia had signed, in order to prevent expat staff from paying twice for a single benefit. They also briefly introduced attendees to measures being implemented in over 100 countries to prevent Base Erosion Profit Shifting (BEPS) and fielded a number of questions regarding the application of such measures in Macedonia.



EVENT HIGHLIGHT: KPMG MACEDONIA ON BASE EROSION AND PROFIT SHIFTING (BEPS) PACKAGE – GOALS & CHALLENGES

Koce Jovanov, Senior Manager, Tax at KPMG Macedonia held learning session to introduce interested members to the OECD's Base Erosion and Profit Shifting (BEPS) Package and discuss its short and long term implications for Multinational Corporations (MNCs) working in Macedonia. He provided a brief historical overview of the BEPS, pointing out 15 measures created to help governments combat MNC tax avoidance. He also, explained that the measures

focused on closing legal loopholes have allowed MNCs to avoid taxes altogether or pay them in tax jurisdictions with the lowest rates, regardless of where profits were actually generated.

EVENT HIGHLIGHT: SESSION ON RANSOMWARE

Mane Piperevski, CEO at Piperevski & Associates, led representatives from 9 member organizations through an engaging presentation on how businesses can best prevent and respond to ransomware attacks. He shared very useful insights into ransomware trends, highlighting the very real financial and operational consequences of cyber extortion. He stressed that no organization is immune to such sophisticated attacks and that most result from employees following infected email links and opening attachments.



EVENT HIGHLIGHT: UACS PROFESSORS GIVE INSIGHTS ON EFFICIENT 21ST CENTURY LEADERSHIP STYLES

Learning event on different leadership styles and the behaviors that make a successful leader, was led by Prof. Marjan Bojadziev, Rector at UACS and Makedonska Dimitrova, Assistant Lecturer at UACS and Director. Participants had a chance to learn practical skills and a variety of tools that they can apply directly to their everyday work. They also had an opportunity to see how an UACS class on Leadership or Organizational studies looks and feels like.

EVENT HIGHLIGHT: IWM NETWORK: THE IMPORTANCE OF WEBSITE AND DIGITAL MARKETING FOR CORPORATE BUSINESSES

IWM Network's co-founder & partner Damjan Dano, delivered a presentation on the Importance of Website and Digital Marketing for Corporate Businesses. He strongly emphasized that the interaction with the companies' customers is very important and there is a need for originality in the messages sent by the companies, when trying to capture the audience's attention. The group joined the discussion by sharing the obstacles they face on daily basis, mainly focusing on understanding the data from the website visitors. They concluded that every visitor's action can be measured and analyzed and could be used as direction when businesses are setting their next marketing strategy.



EVENT HIGHLIGHT: MELOSKI CONSULTING: GET THE BEST OUT OF MICROSOFT OFFICE 365

Representatives from 10 member organizations attended a session with This Gorana Konevska Jankoska, Business Consultant at Meloski Consulting, on how to get the best out of Microsoft Office 365. She shared very useful insights into the all Microsoft Office 365 applications, the licensing options and the customization of modules. Participants had chance to learn practical skills and variety of tools they can apply directly to their everyday work.

EVENT HIGHLIGHT: GRANT THORNTON SESSION ON RECENT TAX CHANGES

Sanja Risteska & Marija Linin, Managers at Grant Thornton Macedonia, shared their expertise for the AmCham members, on tax incentives related to the Corporate Income Tax Law changes. They provided concrete examples of the amended articles in the sections of: Tax treatment for documented expenses for transportation and lodging for individuals; as well as Tax Incentives for donations made in the sport field.



EVENT HIGHLIGHT: ACCOUNTABLE & HIGH PERFORMING COMPANIES & CULTURES" WITH MARK BELICZKY

More than 50 participants from various types of organizations attended the Accountable & High Performing Company Cultures seminar, led by Mark Beliczky from The Carlyle Group, a leading global private equity firm headquartered in Washington, DC. Participants had the opportunity to learn more on several topics, such as: *What are business academics thinking and saying?* ▫ *What management consultants are doing?* ▫ *Ways to rate yourself and your organization with regard to high performance.*

EVENT HIGHLIGHT: ALL WEB'S KEYNOTE SPEAKER ROBERT PETKOVIC DELIVERS WORKSHOP FOR MEMBERS

Another event with one of the key note speakers from AllWeb Conference, was organized for the AmCham members. Mr. Robert Petkovic led a thematic workshop: "Measuring Your Digital Marketing Activities". His main message on this event was the importance of going beyond the "basic" data shown as a summarized result in the dashboard of general analytics tools.



ADVOCACY HIGHLIGHTS

AmCham's advocacy activities are primarily initiated and carried out with the support of committees on Lawmaking & Implementation; Fair Competition; and Community Engagement & Responsible Business Conduct. These committees consist of volunteers who donate their time and expertise to the Chamber.

LAWMAKING & ENFORCEMENT

- Submitted comments to the Government on the National Economic Growth Reform Program 2017-19
- Conducted member surveys on key laws: Company Law, Corporate Income Tax/Profit Tax Law, Value Added Tax, Consumer Protection, Enforcement
- Distributed research on policy dialogue and specific legal proposals to Ministry of Information Society and Administration, Ministry of Finance, Ministry of Economy, Deputy Prime Minister for Economic Issues
- Fall 2017 magazine on New Government Economic Growth Approach
- Submitted comments on Public Finance Reform Program

- Submitted comments on the National Economic Reform Program (NERP)

FAIR COMPETITION

- Hosted an international panel on “Ethics in Advertising”
- Published Summer magazine (Ethics in Advertising) and Winter magazine (Consumers Deserve Better Protection)
- Created and promoted “Innovation – Improving Lives” video for Intellectual Property Rights Day featuring Wabtec MZT

COMMUNITY ENGAGEMENT & RESPONSIBLE BUSINESS CONDUCT

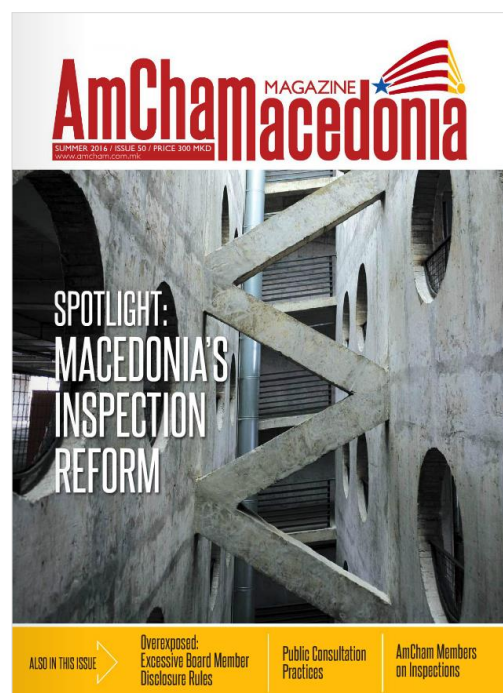
- Organized Business – University Cooperation event with four key faculties at the University Ss. Cyril and Methodius, Skopje
- Held CSR Best Practices Event featuring projects recognized by the CSR National Coordinative Body
- Helped place 7 low income students in internships with member companies (3 of last year’s internships resulted in employment)
- Organized member volunteer presentation on Career Planning at the Career Center of the Faculty of Economics, Skopje
- Dedicated Spring 2017 magazine to *How to Bridge the Skills Gap*
- Seminar on Accountable & High Performing Company Cultures with Mark Beliczky
- Thanksgiving cocktail to honor Sensory Garden project pledges at U.S. Ambassador’s residence.

COMMUNICATIONS

Our communications efforts are channeled via 5 primary communication media: Facebook, LinkedIn, www.amcham.com.mk, *AmCham Magazine* and weekly e-newsletters. We also publish membership directory on our website.

Here are some highlights:

- 2017 was a very successful year in terms of media visibility. www.amcham.com.mk had 12.882 unique visits (a 30% increase over 2016).
- Our [Facebook](#) page gained 4.542 followers.
- AmCham’s LinkedIn page, created in 2017, is followed by >370 professionals (70% Senior Management Professional)
- Over 40 [weekly e-newsletter](#) were distributed over the past year to roughly 850 regular recipients, including all members, key AmCham partner network, including governmental and press contacts.
- We released 4 issues/4.000 hard copies of the [AmCham Magazine](#), covering very important topics such as: *Better Consumer Protection; How to Bridge the Skills Gap; Ethics in Advertising; New Government’s Approach to Economic Growth*. Our magazine readership statistics recorded 2.303 online views.



Special thanks are due to our many magazine article contributors:

- Marijana Loncar–Velkova, President, Consumers Organization of Macedonia
- Eli Mufisovski, Regional Director of React Balkan & Manager of React Online Enforcement Program
- Jaromir Levicek, Head of Operations 1 Section (Economic Issues, Institution-Building, Cross-Border Cooperation) at the Delegation of the European Union to Macedonia
- Stevan Randjelovic, European Association of Communications Agencies (EACA)
- Kamilo Antolović, Permanent Judicial Adviser for Advertising & Market Communication-Marketing in the Republic of Croatia
- Vanda Kučera, Head of Corporate Affairs, I&F McCann Grupa
- Saso Pesev, Managing Director, New Moment New Ideas Company
- Boris Eftimovski, Marketing and PR Consultant, Founder of www.Marketing365.mk
- Damjan Dano, Co-founder & Partner, IWM Network
- Radmila Dimova, Director of Marketing Communication & Brand Management, Makedonski Telekom
- Ajshe Selmani, Director, Vocational Education and Training (VET) Center
- Gjorgi Kusevski, Chief of Party, YES Network Project
- Georgi Markov, Senior Manager, Tax and Legal Services Leader, PWC Macedonia
- Lidija Burevska, HR Manager, Mlekara Bitola
- Veton Qoku, Attorney at Law, Karanović & Nikolić
- Stojce Taskov, Entrepreneur & Private Equity Investor – CEO, Inbox Archive & Datacenter Skopje
- Pavlina Dimovska, Attorney at law and Project Legal Advisor, EpiCentar International
- Kiril Papazoski, Attorney at Law, Papazoski & Mishev Law Firm
- Emil Shurkov, Policy Analyst, Center for Research and Policy Making (CRPM).

OTHER KEY ACTIVITIES

COOPERATION WITH OTHER PEER ORGANIZATIONS

We continue to foster advocacy cooperation with other international business groups & their embassy counterparts in order to further our priorities. In 2017, we hosted a meeting for 12 representatives from the embassy econ sectors and other international business associations.

SUPPORT OF OTHER INITIATIVES/ORGANIZATIONS

In line with our efforts to promote the causes that are aligned with the AmCham vision, in 2017 AmCham sponsored:

- Board of European Students of Technology (BEST) Skopje's Job Fair. This event has a 13-years tradition of bringing companies together with students from all of Skopje's technical faculties and the faculty of architecture for training and networking.
- Career Launch 2017, organized by Summer Work and Travel Alumni (SWTA) in cooperation with Mladinski Info Klub Skopje. It is an event-based platform that serve to connect young people with innovative tech and start-up companies who are looking to advance their teams.

- The 6th annual Allweb conference has offered a unique opportunity for companies, brands, organizations, entrepreneurs and individuals to improve their knowledge, master their online presence, understand the market and keep a step with the ever-changing digital marketing environment. The event featured 14 outstanding speakers covering topics spanning from content marketing and performance to e-marketing.

BOARD MEETINGS

The [AmCham Board of Directors](#) held a total of 5 meetings throughout 2017. These meetings were focused on the following issues:

- Oversight of committee activities
- Advocacy initiatives and developments
- Executive office performance assessment and new objectives setting
- Event planning and assessment
- Dues collection and financial management, including the 2016 audit
- Member issues and member satisfaction survey review
- New AmCham Executive Director election
- New member recruitment and applications review
- Review, approval and updating the 2017 work plan
- Approval of 2018 work plan and proposed budget

BUSINESS VISA PROGRAM

The AmCham Business Visa Program continued to provide expedited and more convenient business visa application processing. In 2017, the AmCham staff helped reduce stress for 7 U.S. visa applicants.

AMCHAMS IN EUROPE BEST PRACTICES CONFERENCE ATTENDANCE

AmCham Macedonia attended the 2017 Annual Best Practice Conference in Dublin from October 11-13. The annual conference gathered executives from 30 AmChams in Europe and Eurasia. The three-day program hosted by the AmCham Ireland featured sessions on a wide range of topics, including membership, membership engagement and events and communications and social media.

REGIONAL AMCHAMS MEETING IN SARAJEVO

AmCham Bosnia and Herzegovina hosted a two-day gathering of AmCham Executive Directors from the region in September of 2017, including those from Macedonia, Albania, Bosnia and Herzegovina and Serbia. The gathering was a continuation of a regional initiative started in 2013, which has strengthened cooperation between regional AmChams by regularly sharing experience.

AMCHAM FINANCIAL STATEMENTS

Income and Expense Statement
for the year ended December 31, 2017

Unaudited report

				Audited by EY
		2017		2016
		in MKD		in MKD
Membership fees		7.412.778		6.977.278
Sensory Garden - project		51.293		-
Interest income		607		8.13
Total income generated in the year		7.464.678		6.985.408
Transferred prior year excess of income		2.106.590		1.775.963
Total income		9.571.268		8.761.371
Personnel expenses		(3.267.997)		(3.175.089)
Professional services		-473.26		-456.057
Travel expenses		-93.984		-202.049
Magazine		-300.779		-410.94
Rent and utilities		-914.976		-878.868
Event expenses		-906.089		-865.594
Sponsorships and Memberships		-134.775		-175.337
Sensory garden project		-80.2		-
Other		-392.009		-483.084
Total expenses		6.564.069		6.647.018
Surplus income over expenses		3.007.199		2.114.353

AMCHAM FINANCIAL STATEMENTS

Statement of Financial Position
for the year ended December 31, 2017

Unaudited report

				Audited by EY
		2017		2016
ASSETS		in MKD		in MKD
Current Assets				
Cash and cash equivalents		2.998.443		2.094.151
Other receivables		9.975		12.439
Total current assets		3.008.418		2.106.590
Non-current assets				
Property and equipment		263.153		314.126
Total non-current assets		263.153		314.126
Total assets		3.271.571		2.420.716
LIABILITIES AND EQUITY				
FUNDS				
Accumulated excess of income		3.008.418		2.106.590
Business fund		263.153		314.126
Total Equity		3.271.571		2.420.716
LIABILITIES				
Current Liabilities				
Other payables		-		-
Total current liabilities		-		-
Total liabilities and equity		3.271.571		2.420.716

ABOUT AMCHAM MACEDONIA

BOARD OF DIRECTORS

January – December 2017

Slavko Projkoski, President
Chief Financial Officer
Makedonski Telekom AD – Skopje

January – December 2017

Jovan Radosavljevic, First Vice-President
General Manager
Pivara Skopje AD

January – December 2017

Ljupco Georgiev, Second Vice-President
General Manager
Microsoft dooel Skopje

January – December 2017

Georgi Dimitrov, Secretary-Treasurer
Territory Senior Partner in Macedonia,
Albania and Kosovo
PricewaterhouseCoopers dooel Skopje

January – December 2017

Mihael Solter, Member
General Manager
Philip Morris – Tutunski Kombinat Prilep AD Skopje

October – December 2017

Jelena Arsovska, Member
Managing Director
McCann Skopje doo

October – December 2017

Radosh Vukichevich, Member
CEO
Tikvesh Winery AD Skopje

January – December 2017

Stefan Peter
Chairman of the Management Board
EVN AD Macedonia

January – December 2017

Selim Simbil
General Manager
Wabtec MZT AD Skopje
CEO

EXECUTIVE OFFICE

Executive Director:

Michelle Osmanli (till November 30, 2017)
Dijana Despodov (as of February 1, 2018)

Relationship and Finance Manager:

Gordana Karanfiloska-Dimoska

Policy and Communications Manager:

Aleksandar Narashanov

Vasil Gjorgov 20A, 3rd Floor

1000 Skopje Macedonia

Phone: +389 2 3216 714

Fax: +389 2 3246 950

E-mail: info@amcham.com.mk

EX OFFICIO MEMBERS

Verica Hadzi Vasileva-Markovska

Antoni Peshev

Kristijan Polenak

Dejan Kalinikov

Ilijanco Gagovski

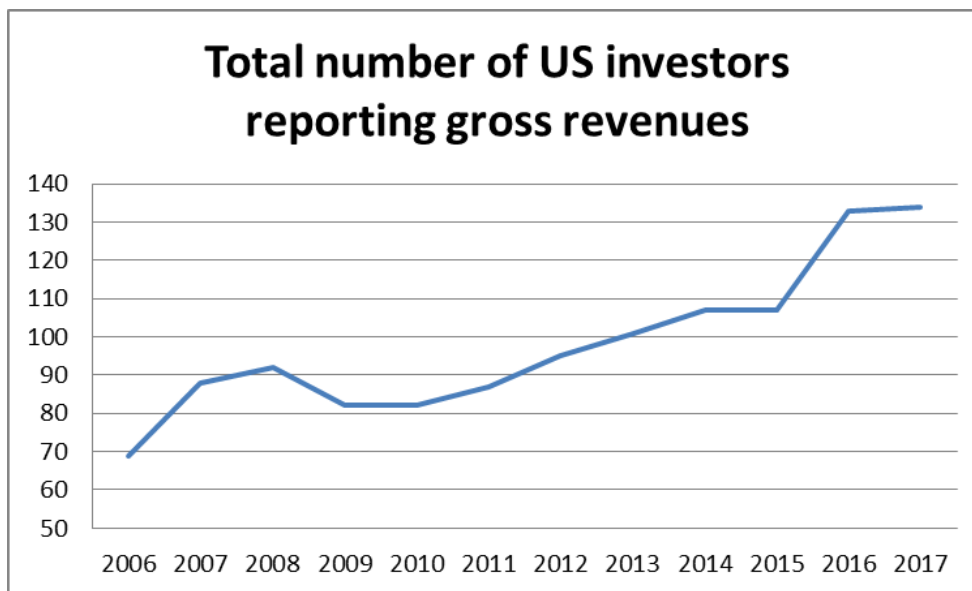
Stefan Plavjanski

Liza Popovska

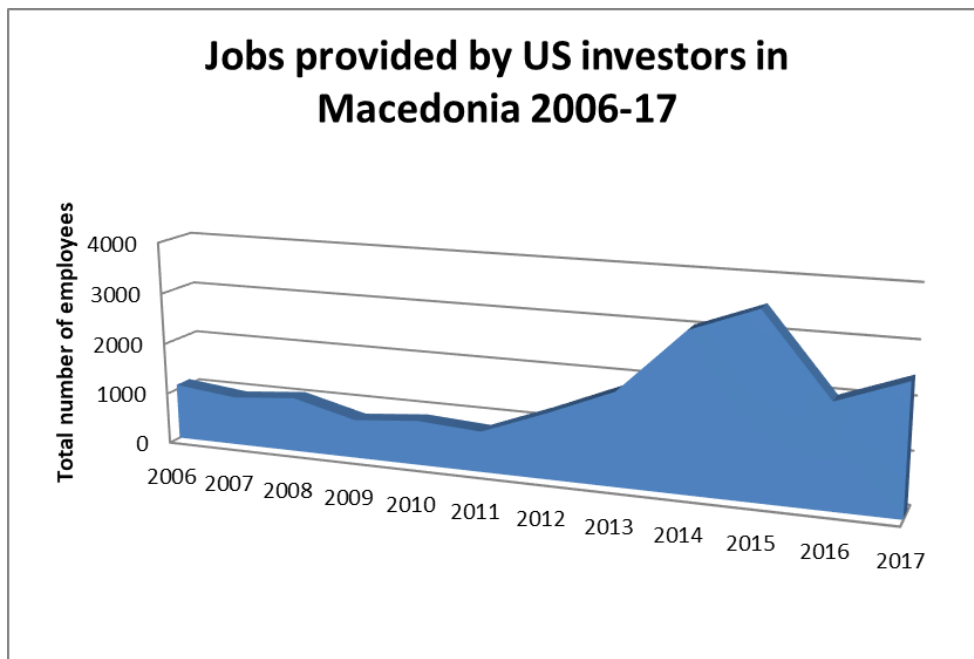
Miroslav Marchev

U.S. INVESTMENT TRENDS ANALYSIS 2006-17

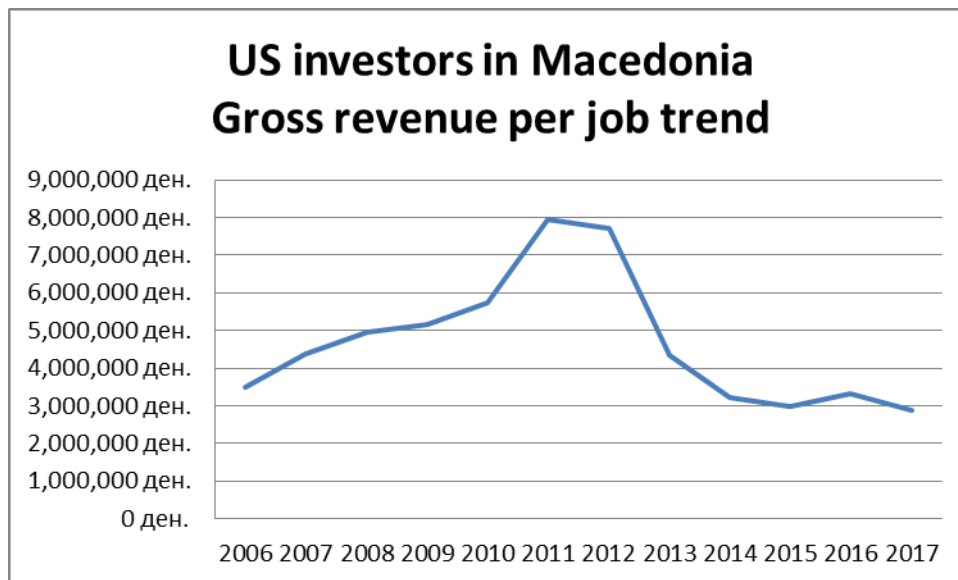
From time to time, AmCham is approached by media representatives for information on the level of U.S. investment in the country. Given that the State definition of “U.S. investment” is extremely narrow, these figures are often understated. In the spring of 2018, AmCham conducted its own analysis of Central Trade Registry data in an effort to identify trends in U.S. investment in the country. In order to do this, AmCham requested data on companies that were fully or partially owned by U.S. citizens and were operational in Macedonia during the 2006-17 period. The following graphics summarize our findings.



Main conclusion: there has been a generally increasing trend in the number of organizations fully or partially owned by U.S. citizens operating in the country since 2006. There was a slight reversal of this trend during 2009/10, but when comparing 2006 and 2017 figures, the overall increase is 94%.



Main conclusion: Organizations that are fully or partially owned by U.S. citizens employ over 44% more people in 2017 than in 2006. Only one decreasing trend is noticeable between 2015/16.



Main conclusion: Organizations that are fully or partially-owned by U.S. citizens have experienced an increasing trend in their gross revenue to employee ratios from 2006-11, peaking in 2011 when this ratio had more than doubled 2006 levels. The trend appears to have begun reversing in 2012 and has continued decreasing, even below the 2006 level.

BASIC FACTS ON MACEDONIA ¹

Official Name: Republic of Macedonia

Area 25,713 sq km (land: 25,433 sq km; water: 280 sq km)

Population 2,103,721 (July 2017 est.)

Macedonian 64.2%, Albanian 25.2%, Turkish 3.9%, Roma 2.7%, Serb 1.8%, other 2.2% (2002 est.)

Languages Macedonian (official) 66.5%, Albanian (official) 25.1%, Turkish 3.5%, Roma 1.9%, Serbian 1.2%, other 1.8% (2002 est.)

Religions Macedonian Orthodox 64.8%, Muslim 33.3%, other Christian 0.4%, other and unspecified 1.5% (2002 est.)

Society and Government

Government type: parliamentary democracy

Capital: Skopje

UTC+1 (6 hours ahead of Washington, DC during Standard Time), daylight saving time: +1hr, begins last Sunday in March; ends last Sunday in October

Independence: 8 September 1991

Constitution: adopted 17 November 1991, effective 20 November 1991; amended several times; last in 2015 (2016)

Economy

GDP (purchasing power parity): \$31.55 billion (2017 est.)

GDP - real growth rate: 2.5% (2017 est.)

GDP - per capita (PPP): \$15,200 (2017 est.)

GDP - composition by sector: agriculture: 10%; industry: 30%; services: 60% (2017 est.)

GDP Composition by end use (2017 est.): household consumption: 65.6%; government consumption: 15.6%; investment in

¹ Source: CIA World Fact book link on Macedonia: <https://www.cia.gov/library/publications/resources/the-world-factbook/geos/mk.html>

fixed capital: 13.6%; investment in inventories: 20.2%; exports of goods and services: 54%; imports of goods and services: -69% (2017 est.)

Labor force: 950,800 (2017 est.)

Labor force - by occupation: agriculture: 16.6%; industry: 29.6%; services: 53.8% (2017 est.)

Unemployment rate: 23.4% (2017 est.)

Budget: Revenues: \$3.314 billion Expenditures: \$3.655 billion (2017 est.)

Agriculture - products: grapes, tobacco, vegetables, fruits; milk, eggs

Industries: food processing, beverages, textiles, chemicals, iron, steel, cement, energy, pharmaceuticals, automotive parts

Industrial production growth rate: 3% (2017 est.)

Exports: \$4.276 billion (2017 est.)

Exports - commodities: foodstuffs, beverages, tobacco; textiles, miscellaneous manufactures, iron, steel; automotive parts

Exports - partners: Germany 40.9%, Kosovo 13.5%, Serbia 7.7%, Bulgaria 4.5% (2016)

Imports: \$6.446 billion (2017 est.)

Imports - commodities: machinery and equipment, automobiles, chemicals, fuels, food products.



AMCHAM
M A C E D O N I A

AMERICAN CHAMBER OF COMMERCE IN MACEDONIA
communication@amcham.com.mk □ www.amcham.com.mk
