



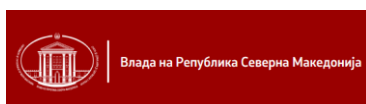
STRATEGY FOR SME 2025-2030



November 2025

STRATEGY
FOR
SMALL AND MEDIUM ENTERPRISES
2025-2030
OF THE REPUBLIC OF NORTH
MACEDONIA

November 2025



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FOREWORD

As Minister of Economy and Labour of the Republic of North Macedonia, I have the honour to present the Strategy for Small and Medium Enterprises 2025-2030 of the Republic of North Macedonia, a comprehensive framework that sets the guidelines for the development, competitiveness and sustainability of our small and medium enterprises in the coming years.

Small and medium-sized enterprises are the backbone of our economy. They represent the majority of enterprises, provide employment opportunities for a large part of the population and play a vital role in fostering innovation, regional development and social responsibility. Strengthening their competitiveness is not only an economic necessity, but also a strategic priority for achieving sustainable and inclusive growth, improving international positioning and aligning our development with the best standards and practices of the European Union.

The strategy for SMEs 2025–2030 is based on a clear vision: To create a favourable environment in which SMEs can advance, expand and create innovations. It has been developed through a comprehensive fact-based process, involving extensive consultations with representatives from the private sector, public institutions, academia and civil society. The participatory approach confirms that the measures set out in this document reflect the real challenges and aspirations of our entrepreneurs, building on international experience and the EU policy development framework.

The main priorities of the Strategy include:

- A competitive national entrepreneurial ecosystem;
- Access to finance;
- Green and digital transition

The focus is on facilitating access to finance for small and medium-sized enterprises, supporting innovation, research and digital transformation, fostering entrepreneurship and skills development, strengthening export and internationalisation potential, and promoting the green transition and circular economy. These priorities respond to today's biggest challenges – such as climate change, digitalisation, and competitiveness in global markets - and we prepare our economy for future opportunities.

The Ministry of Economy and Labour, as the responsible institution, will lead and coordinate the implementation of this Strategy. However, successful implementation will depend on the active engagement and partnership of many stakeholders: government bodies, regional and local governments, financial institutions, business associations, chambers of commerce, academia and civil society organisations. In the spirit of cooperation and shared responsibility, we strive to create a synergy that will increase the impact of the envisaged measures.

Equally important is the commitment to regular monitoring and evaluation of the Strategy. By systematically assessing progress, identifying areas for improvement, and ensuring transparency and accountability, we will be able to adapt policies and maintain the pace of progress in the period 2025–2030. This process will strengthen trust between institutions, businesses and citizens and will demonstrate our determination to turn words into results.

The adoption of the Small and Medium Enterprises Strategy 2025–2030 marks a crucial step towards building a stronger, more competitive and more innovative economy. It also reflects our commitment to European integration, as the measures outlined are in line with the European Union's policy principles and priorities for Small and Medium Enterprises. By aligning our national efforts with European standards, we are laying the foundations for increased competitiveness, improved cross-border cooperation and deeper integration into the single market.

I would like to express my sincere gratitude to all the partners and stakeholders who contributed to the preparation of this Strategy. Their expertise, commitment and constructive dialogue were essential in forming a document that is both ambitious and realistic. Through such a spirit of cooperation, we will be able to ensure that Small and Medium Enterprises remain at the heart of economic and social development.

Looking forward, I am convinced that the implementation of the Strategy for Small and Medium Enterprises 2025–2030 of the Republic of North Macedonia will bring significant improvements in the business environment, greater opportunities for our entrepreneurs and more sustainable benefits for our society. The Government of the Republic of North Macedonia remains fully committed to supporting Small and Medium Enterprises, recognising them as a driving force for innovation, job creation and sustainable growth.

Let's move forward together with determination, responsibility and vision, building a dynamic sector of Small and Medium Enterprises that will contribute to the prosperity and well-being of our citizens and strengthen the role of North Macedonia within the European family.

Besar Durmishi,

Minister of Economy and Labour of
The Republic of North Macedonia



FOREWORD

Small and medium-sized enterprises (SMEs) are the backbone of our country's economy. They make up the majority of active businesses, contribute significantly towards employment and play a key role in fostering innovation, competitiveness and economic growth. Supporting the growth and development of SMEs is not only an economic priority but also a strategic commitment to the long-term and sustainable development of our country.

The SME Strategy 2025-2030 provides a clear framework for policy action, in line with national priorities for the country's development and integration into the European Union. It is tailored to the ongoing needs of SMEs for growth and development, focusing on key areas such as access to finance, digital transformation, capacity for innovation, entrepreneurship development, export potential and green transition. Priority areas were defined through expert analysis and inter-institutional dialogue, ensuring strategic relevance and practical implementation. The document also reflects the principles of the EU Small Business Act and wider European policy objectives, enabling our companies to better position themselves in regional and European markets.

This strategy is the result of an inclusive and comprehensive process. As Chairman of the Working Group on Strategy Preparation, Monitoring and Implementation, I want to express my sincere gratitude to all the members of the working group, whose dedication and expertise were essential in the preparation of the strategy. The group consisted of representatives from several ministries, state institutions and agencies, universities, chambers of commerce and other relevant organisations. The constructive cooperation, professionalism and commitment enabled the Strategy to be in line with the needs of SMEs, but also with the long-term national and EU policies.

In addition, I would like to express special gratitude to IBF Consulting, whose team, with high professionalism and great expertise, led the entire process, providing valuable technical and methodological support at all stages of the development of the Strategy. I would also like to express my special gratitude to the Delegation of the European Union to North Macedonia, which provided financial support for the preparation of the Strategy in the framework of the project "EU for SME development". Their contribution was essential to ensure a structured, evidence-based and internationally harmonised approach.

The Ministry of Economy and Labour will support the process of implementation and monitoring of the Strategy with all its capacities, in continuous cooperation with all institutions and stakeholders.

Monitoring, systematic evaluation of the results and performance indicators foreseen in the Action Plan and reporting on the Strategy are essential to ensure the efficient implementation of the strategic objectives and to assess the effective impact of its implementation. Regular monitoring, evaluation and reporting will ensure accountability, enable timely adaptation and maintain the pace of progress in the period 2025–2030.

I am convinced that the implementation of this Strategy will contribute to small and medium-sized enterprises being more dynamic, innovative and competitive, creating new opportunities for both businesses and citizens. Through coordinated policy support, institutional engagement and partnership with the private sector, we will strengthen the foundations of sustainable economic development and enable small and medium-sized enterprises to continue to foster growth and prosperity in the country.

Jumni Ademi,

Secretary of State in the Ministry of Economy and Labour
Chairman of the Working Group on the Preparation and
Monitoring of the Implementation of the Strategy 2025-2030



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Table of Acronyms

BDS	Business Development Services
EC	European Commission
EEN	Enterprise Europe Network
EU	European Union
GDP	Gross Domestic Product
GEM	Global Entrepreneurship Monitor
ICT	Information and Communications Technology (ICT)
INOVA	Agency for innovation, scientific and technological development and entrepreneurship
IPO	Initial Public Offering
MoDT	Ministry of Digital Transformation
MoEL	Ministry of Economy and Labour
MER	Monitoring, Evaluation, and Reporting
MoES	Ministry of Education and Science
MSMEs	Micro, small and medium enterprises
OECD	Organisation for Economic Co-operation and Development
R&D	Research and development
RIA	Regulatory Impact Assessment
RNM	Republic of North Macedonia
SBA	Small Business Act
SEE	Southeast Europe
SME	Small and Medium-sized Enterprises
SWOT	Strengths, weaknesses, opportunities and threats
VET	Vocational education and training
WB	Western Balkans
WBIF	Western Balkans Investment Framework

1. Introduction

Executive Summary

Small and medium enterprises (SMEs) are the backbone of every economy. They are a major employer and contribute significantly to the Gross Domestic Product (GDP). SMEs are often places of innovation and new business ideas, and they encourage entrepreneurial activity, fostering creativity and competition in the market. Their flexibility enables them to adjust more easily to the market conditions compared to larger enterprises. This sector encompasses different target groups, including women and youth, by recognising their ideas, providing employment opportunities and promoting entrepreneurship to promote inclusive growth.

The situation of the SME sector in the Republic of North Macedonia (RNM) does not differ significantly from that in other countries. In 2023, this sector accounted for 99.7% of the total number of enterprises and employed nearly 75% of the total number of employees. SMEs are present in all sectors and industries, constantly facing competition, market trends, and the needs and preferences of customers, as well as other challenges arising from their operations.

Support for the development of the SME sector has also been a priority of every government since the country's independence. This was confirmed by adopting previous SME policy frameworks, which provided the guidelines and set the goals that contributed to further development of this sector. This document is a continuation of the Government's efforts to support the SME sector by implementing concrete actions and measures, translated into a policy framework that defines the vision and goals to be achieved in the next six years.

In drafting this document, lessons learned and experience from the implementation of the previous SME strategy were also taken into account, along with input from the members of the working group established by the Ministry of Economy and Labour (MoEL) to support the drafting of this strategy, as well as suggestions received from other stakeholders. This document is aligned not only with the needs of SMEs, but also with the policy priorities of the European Union (EU), the Organisation for Economic Co-operation and Development (OECD) and national strategic frameworks.

Strategic priorities are divided into three main pillars that define the ecosystem in which enterprises need to further strengthen their competitiveness, productivity and innovation by creating an entrepreneurial environment that supports the development of SMEs, the access of SMEs to finance that should accelerate the process of their development and a framework that promotes the use of green and digital technologies.

As a national policy framework, the implementation of this strategy should be the responsibility of all stakeholders involved in the SME support and development ecosystem. The strategy is accompanied by an action plan defining specific measures and activities that will lead to the achievement of the set goals and objectives.

Background

The first strategy for SMEs in the Republic of North Macedonia was developed in 2002. This was the period when the Government signed the Memorandum of Cooperation with the European Commission (EC) on participation in the framework of the European Charter for

Small Enterprises¹. This strategy was accompanied by an action plan/program that defined measures and activities to promote entrepreneurship and increase the competitiveness of SMEs for the period 2002-2006.

In 2006, the SME Strategy was revised to contribute to an overall increase in employment in the SME sector and to a greater contribution to GDP. This revision was intended to address new and ongoing challenges in the SME sector, including the need for alignment with the requirements of the *Acquis Communautaire*, particularly those related to SMEs. Additionally, the amendments placed focus on issues such as entrepreneurship, innovation, and information and communication technology (ICT), which were key features of the EU's Competitiveness and Innovation Framework Programme (2007–2013).

Although there was no specific strategic framework for SMEs in the period 2013-2017, the Government continued to support this sector through the implementation of measures and activities defined within the annual programs of the relevant institutions.

In 2017, a new SME Strategy was prepared, covering the period 2018–2023. It was developed based on the results of the previous strategy and the Government's priorities, also taking into account EU policy frameworks and objectives. This strategy defined priorities for improving the business environment for SME development, while simultaneously strengthening efforts to enhance competitiveness and innovation. The strategy was developed with a focus on three strategic objectives, around which three pillars were formulated, serving as the basis for the organisation of specific programme interventions.

- Strategic Objective 1 - To create a favourable business environment that fosters entrepreneurship and investment.
- Strategic Objective 2 - To support SMEs in becoming highly productive and competitive participants in the European and other international markets.
- Strategic Objective 3 - To enhance the country's economic competitiveness by increasing the entrepreneurial and innovative capacity of SMEs.

A recent assessment has shown that due to several factors that influenced the implementation of the previous Strategy (such as lack of adequate technical and financial resources, the COVID-19 pandemic, the energy crisis and the war in Ukraine), the implementation of the Strategy, as well as the achievement of its objectives and goals, were not fully realised. Due to this, and since the validity of the previous strategy has expired, along with the new global trends and priorities of the new Government, the need for the preparation of a new policy document has emerged.

The new SME Strategy 2025 - 2030 is a continuation of the previous efforts to support the SME sector in the country by defining priorities and implementing activities that will further contribute to enhancing their competitiveness and innovation efforts. Based on this, the Ministry of Economy and Labour (MoEL) was commissioned by the Government to develop the new SME Strategy for the period 2025-2030 and to set up a working group with representatives from the relevant institutions and organisations to contribute to the preparation of this document. To achieve this, the MoEL and the working group were supported by the EU

¹ <https://eur-lex.europa.eu/EN/legal-content/summary/european-charter-for-small-enterprises.html>

Delegation to the RNM by providing technical expertise for the development of the new SME strategy.

2. Alignment of the Strategy with EU, regional and national policy frameworks

In preparing this policy document, the EU SME policy framework was analysed to align the key priorities in the development of the country's SME sector in line with the current EU policy framework and the requirements of Chapter 20 – *Enterprise and industrial policy*. In this context, EU strategic documents focusing on SME policies, as well as other regional policy-related documents (in the Western Balkans (WB) context), were reviewed.

The RNM is fully committed to the implementation of the EU economic and political criteria, including the area of industrial development and SME policy. It is necessary to emphasise that in the application of EU principles and the design and implementation of the SME policy, the RNM has adopted the European Charter on Small Enterprises principles as a guide for the further development of the SME sector. This process continued with the transformation of the Charter and adoption of the Small Business Act (SBA) as a guiding principle, along with the other countries in the WB and Turkey.

2.1 Overview of the EU policy framework

The European SMEs have gone through significant challenges over the past years, following an unprecedented pandemic and the global supply chain disruptions during the post-pandemic era, jeopardising the economic recovery of the EU's SMEs. The new European Industrial Strategy, oriented toward the twin transition to a green and digital economy, defines opportunities for SMEs that deserve special attention. In addition, Open Strategic Autonomy, as a new political paradigm of the European Union, aims to ensure that the Union can pursue its interests and values independently, while remaining open to global cooperation.

According to the 2023/2024 Annual Report on European SMEs - Performance Review², SMEs in the EU have demonstrated significant activity in implementing innovative actions within critical value chains. Despite this momentum and the numerous initiatives supporting research and development (R&D) and innovation, SME productivity indicates that there is still room for further efforts, which can be achieved by providing additional support and defining appropriate policy frameworks. If the focus is placed on critical value chains, SMEs appear to play a key role, particularly in specialised production and the development of new markets, such as recycling raw materials from waste. Productivity is also a crucial factor for SMEs, which can pose specific risks in the context of Open Strategic Autonomy, aimed at promoting domestic EU production and innovation in critical products and technologies. It is of vital importance that policymakers recognise SMEs as catalysts of the transformation Europe urgently needs and turn them from followers into leaders of radical change, placing them at the core of EU policymaking.

EU Green Agenda

² https://single-market-economy.ec.europa.eu/document/download/2bef0eda-2f75-497d-982e-c0d1cea57c0e_en?filename=Annual%20Report%20on%20European%20SMEs%202024.pdf

The EU's strategic document, **the European Green Deal**³ It is a new growth strategy aiming to transform the EU into a fair and prosperous society, with a modern, efficient, and competitive economy. It provides a roadmap to create conditions for a sustainable economy within the EU by turning climate and environmental challenges into opportunities across all policy areas, ensuring a just and inclusive transition for all. The transition to a green economy has a significant impact on the labour market, changing the overall demand for skills, especially in sectors that will have to undergo deep restructuring caused by the use of greener technologies, sustainable production processes, and business models. It also represents a framework for formulating SME policies and their transition toward sustainable development. The European Green Deal is a roadmap of actions to strengthen the efficient use of resources by moving toward a clean, circular economy, stopping climate change, reversing biodiversity loss, and reducing pollution. It outlines the investments needed and the available financing tools and explains how to ensure a just and inclusive transition.

In February 2023, the EU adopted the **Industrial Plan for the Green Deal for the Net-Zero Age**⁴ which represents an EU framework “arising from the need for a massive scale-up in technology development, manufacturing and installation of net-zero products and energy supply, recognising the competition for raw materials and skilled labour.” The new Industrial Plan aims to improve the framework supporting the transition of business models based on a predictable and simplified regulatory environment, faster access to sufficient financing, strengthened skills, and support for open trade for resilient supply chains. The Green Deal is an integral part of the European Commission's strategy to implement the United Nations 2030 Agenda and the Sustainable Development Goals.

EU Industrial Policy

As a complement to the SME policy framework, the EU's industrial policy should also be mentioned, which focuses on improving the business environment and supporting competitiveness and growth. The objective of the **new Industrial Strategy for Europe**⁵ is to support the twin transitions, make EU industry globally competitive, and strengthen Europe's strategic autonomy, with the aim of transforming and further developing traditional and new industries, supporting SMEs, and promoting competitive sustainability across the EU. Recently, new EU innovation support activities have focused on developing innovation districts for technologies based on significant scientific discoveries or engineering advances (so-called deep tech). Innovation districts are dynamic hubs where academia, industry and government converge to drive scientific discovery, commercialisation and entrepreneurship. These valleys act as catalysts for regional growth, attracting international talent, companies, and investment⁶. In 2021, the European Commission updated the EU's industrial policy – **Industrial Strategy 2020: Towards a Stronger Single Market for Europe's Recovery**⁷, which reaffirmed the

³ COM(2019) 640 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52019DC0640>

⁴ COM(2023) 62 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023DC0062>

⁵ COM/2020/102, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0102>

⁶ <https://innovationdistrictcopenhagen.dk/> (Example of an innovation district established in spring 2024)

⁷ COM (2021) 350/2, https://commission.europa.eu/document/download/9ab0244c-6ca3-4b11-bef9-422c7eb34f39_en?filename=communication-industrial-strategy-update-2020_en.pdf

established priorities defined in 2020. Within this Strategy, new measures are proposed to strengthen the resilience of the EU's single market, particularly in times of crisis. It addresses the need for a better understanding of interdependencies in key strategic areas and represents a toolbox for addressing them. It offers new measures to accelerate the green and digital transitions. The updated strategy also responds to calls to identify and monitor the main indicators of EU economic competitiveness overall: single market integration, productivity growth, international competitiveness, public and private investment, and R&D investment. SMEs are at the core of the updated strategy, with tailored financial support and measures to enable both SMEs and startups to embrace the twin transition.

EU SME Policy

In the area of SME policy, over the past decade, the EU has adopted several strategic documents that created specific conditions for SME development, aiming to increase innovation and competitiveness among enterprises.

The SME Strategy for a Sustainable and Digital Europe⁸ adopted in March 2020, builds on the strong foundations of the SME policy framework and EU support programmes, mainly referencing the SBA for Europe⁹. The Strategy aims to unlock the potential of European SMEs to lead the twin transitions to sustainability and digitalisation. A main priority of the Strategy is to enable a significant increase in the number of high-growth SMEs and the number of SMEs using digital technologies. The Strategy represents continuity and builds on the achievements of the SBA and its priorities.

The overarching goal of EU policies defined by the *SME Strategy for a Sustainable and Digital Europe* is to stimulate the potential of all SMEs in the EU so that they can lead the economy's twin transition (toward sustainability and digitalisation), with a significant increase in the number of high-growth SMEs through the use of digital technologies. SBA priorities within the Strategy were reshaped into three key pillars and intervention areas, which are presented as follows:

- Building capacity and supporting the transition to sustainability and digitalisation
- Reducing regulatory burden and improving market access
- Improving access to finance

On the other hand, the **SBA for Europe**¹⁰, which is the EU's main strategic document, reflects the Commission's political will to recognise the central role of SMEs in the EU economy, and for the first time establishes a comprehensive SME policy framework that the EU and its Member States can use to design SME policies. It was adopted in 2008 and aims to improve the overall approach to entrepreneurship, permanently embed the "Think Small First" principle in policymaking, from regulation to public service delivery, and support SME growth by helping to tackle the remaining problems which hamper their development.

⁸ COM/2020/103; <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0103>

⁹ https://ec.europa.eu/commission/presscorner/detail/fr/memo_11_109

¹⁰ {SEC(2008) 2101} {SEC(2008) 2102}, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52008DC0394>

The main priorities of the Act relate to promoting entrepreneurship, improving access to finance, reducing regulatory burdens, and improving market access and internationalisation. These principles are of fundamental importance to add value at the EU level, create a level playing field for SMEs, and improve the legal and administrative environment in the EU. These priorities are set out in 10 principles designed to support the creation and implementation of policies at both the EU and national level.

EU Financial Instruments

In the 2021–2027 budget period, the EU also redefined the programmes used to implement various policies under the **Common Provisions Regulation 2021-2027**¹¹. Based on this document, Member States developed investment strategies at the national and regional levels, which define the financial instruments used in SME support programmes. EU programmes are also accessible to candidate countries and countries associated with the EU, in accordance with the conditions set out in the regulations establishing the programme.

The Single Market Programme¹² focuses on strengthening the governance of the internal market, supporting industrial competitiveness — particularly for micro, small, and medium-sized enterprises (MSMEs) — protecting human, animal and plant health, and ensuring animal welfare, as well as establishing a financing framework for European statistics. The Specific area of interventions of the programme includes enhancing the competitiveness and sustainability of SMEs, supporting European standardisation, and strengthening the Consumer Union.

SME Pillar¹³ of the Single Market Programme ensures continuity in the implementation of the most impactful activities from the COSME Programme, particularly by supporting better access to markets, a more favourable business environment, and the promotion of entrepreneurship. It aims to foster competitiveness, capacity building, and enterprise sustainability — especially among small and medium-sized enterprises (SMEs).

Key programmes include:

- **Erasmus for Young Entrepreneurs**¹⁴ - supporting entrepreneurship and access to skills,
- **Enterprise Europe Network (EEN)**¹⁵ - a one-stop shop helping SMEs enhance their competitiveness and grow their businesses in the Single Market and beyond, including in the EU's outermost regions.
- **Joint Cluster Initiative**¹⁶ - aimed at connecting specialised industrial ecosystems to create new business opportunities for SMEs and better integrate them into European and global strategic value chains.

¹¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R1060&from=EN>

¹² https://commission.europa.eu/funding-tenders/find-funding/eu-funding-programmes/single-market-programme_en

¹³ https://eisma.ec.europa.eu/programmes/single-market-programme/support-smes_en

¹⁴ <https://www.erasmus-entrepreneurs.eu/>

¹⁵ <https://een.ec.europa.eu/>

¹⁶ <https://www.clustercollaboration.eu/>

Support for SMEs exists and is applicable in the Republic of North Macedonia: it is implemented in accordance with the steps of our country in the EU accession process. Participation of local SMEs in these activities will contribute to job creation and growth by strengthening SME competitiveness and resilience, thereby supporting economic recovery.

SMEs often face high levels of uncertainty, supply chain constraints, labour shortages, and not always fair competition. The instability and unpredictability of the current economic context make doing business more difficult for SMEs. The **SME Relief Package**¹⁷ proposes new measures aimed at providing short-term relief, strengthening the long-term competitiveness of SMEs, and enhancing fairness in the business environment across the Single Market. Key interventions include:

- Late Payment Regulation¹⁸,
- Directive on Tax Simplification for SMEs¹⁹,
- A set of SME-targeted measures to improve access to finance and skilled labour, and to support SMEs throughout their business life cycle.

The newly proposed ***Regulation on preventing late payments***²⁰ in commercial transactions addresses payment delays, an unfair practice that jeopardises SME cash flow and undermines the competitiveness and resilience of supply chains. The new rules will repeal the 2011 Late Payment Directive and replace it with a regulatory framework. The proposal introduces a stricter 30-day maximum payment limit, eliminates ambiguities, and addresses legal loopholes in the current Directive. The proposed text also ensures automatic payment of accrued interest and compensation fees and introduces new enforcement and redress measures to protect businesses from late payers.

In parallel, the EU is working on a **Capital Markets Union plan**²¹, which represents an agenda for creating a single capital market that will make it easier for small businesses to access funding and will make Europe a more attractive place to invest. The aim is to enable the free flow of money — investment and savings — across the EU, so that consumers, investors, and companies can benefit regardless of their location. However, EU capital markets remain fragmented. The plan outlines 16 legislative and non-legislative measures to achieve three main objectives:

- Support a green, inclusive, and resilient economic recovery,
- Make the EU an even safer place for long-term saving and investing, and
- Integrate national capital markets into a truly single market.

¹⁷ COM(2023) 535 final, https://single-market-economy.ec.europa.eu/document/download/8b64cc33-b9d9-4a73-b470-8fae8a59dba5_en?filename=COM_2023_535_1_EN_ACT_part1_v12.pdf

¹⁸ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023PC0533>, COM(2023) 533 final/2,

¹⁹ https://taxation-customs.ec.europa.eu/taxation/business-taxation/head-office-tax-system-smes-hot_en

²⁰ https://single-market-economy.ec.europa.eu/smes/challenges-and-resilience/late-payment_en

²¹ https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/capital-markets-union/what-capital-markets-union_en

EU Digital Strategy

The aim of this policy framework is to digitalise the freedoms of the EU Single Market by defining rules for telecommunications services, copyright, and data protection. **The EU Digital Strategy**²² is defined **through a specific intervention - Digital Decade 2030**²³ as a comprehensive framework encompassing all ‘digital’ activities, including the *Digital Decade Policy Programme*. This policy programme is guided by the **Digital Compass 2030**²⁴ – a roadmap for achieving the digital transformation of the EU’s economy and society. The main objectives of the EU Digital Framework are summarised under four key areas:

- A digitally skilled population and highly skilled digital professionals;
- Secure and sustainable digital infrastructures;
- Digital transformation of businesses;
- Digitalisation of public services.

Better EU Regulation

The Better Regulation Agenda²⁵ ensures transparent, evidence-based EU lawmaking grounded in stakeholder views. Its objectives are to ensure that the EU policymaking process is based on evidence, to make EU laws simpler and better, and to avoid unnecessary burdens — by involving citizens, businesses, and stakeholders in decision-making. Better regulation ensures transparent and efficient policymaking. Since 2021, the key features of the revised Better Regulation Agenda include:

- Public consultations introduced through a single “Call for Evidence”;
- Strengthening the Commission’s efforts to simplify EU rules and reduce unnecessary burdens, through the REFIT²⁶ and the “one in, one out” approach;
- Removing obstacles and bureaucracy that slow down investment;
- Improving how the Better Regulation Agenda addresses and supports sustainability objectives.

The SME Test²⁷ analyses the effects of upcoming EU legislative proposals on SMEs. Assessing the costs and benefits of policy options for SMEs promotes the “Think Small First” principle and contributes to improving the business environment. The SME Test is an integral part of the European Commission’s regulatory impact assessment process. The SME Test consists of:

- Identifying the businesses most likely to be affected;
- Consulting SMEs and representative organisations (such as SME stakeholders and the EEN);

²² <https://eufordigital.eu/discover-eu/eu-digital-strategy/>

²³ <https://digital-strategy.ec.europa.eu/en/policies/europes-digital-decade>

²⁴ https://eur-lex.europa.eu/resource.html?uri=cellar:12e835e2-81af-11eb-9ac9-01aa75ed71a1.0001.02/DOC_1&format=PDF

²⁵ https://commission.europa.eu/law/law-making-process/planning-and-proposing-law/better-regulation_en#documents

²⁶ https://commission.europa.eu/law/law-making-process/evaluating-and-improving-existing-laws/refit-making-eu-law-simpler-less-costly-and-future-proof_en

²⁷ https://commission.europa.eu/law/law-making-process/planning-and-proposing-law/better-regulation_en#documents

- Assessing the impacts on SMEs (cost–benefit analysis);
- Exploring policy options to minimise negative effects on SMEs or considering mitigation measures, if needed.

2.2. Overview of Policy Frameworks for the Western Balkans

Over the past decade, Western Balkan governments have also adopted several policy agendas that define the priorities to be achieved at the regional level. These are intermediate priorities (benchmarks) that lie somewhere between EU and national priorities.

With the signing of the Sofia Declaration (at the summit held in November 2020), all Western Balkan countries fully endorsed the principles of the **European Green Agenda for the Western Balkans**²⁸ and expressed their commitment to implementing concrete actions within the following five pillars of the **European Green Agenda**:

- Decarbonisation: climate, energy, mobility
- Circular economy: sustainable production and consumption
- Depollution: reducing air, water and soil pollution:
- Sustainable food systems and rural areas
- Biodiversity: protecting and restoring ecosystems

In addition, digitalisation should serve as a key enabler in achieving the five pillars mentioned above, in line with the concept of the twin green and digital transition. The objectives of these pillars should be pursued through concrete actions and supported by mechanisms and specific financial instruments.

In addition to the priorities of the regional framework, there is also the **Southeast Europe 2030 Strategy**²⁹ whose core objective is to promote and advance the implementation of the United Nations Sustainable Development Goals through regional cooperation among all economies of South East Europe (SEE) across all three dimensions. The SEE Strategy includes thirteen priority areas of intervention, providing a framework for an integrated approach to addressing sustainability issues. By 2030, the goal of this regional strategy is to achieve regionally sustainable economic growth aimed at reducing poverty and inequalities, improving social inclusion, empowering women, slowing depopulation, improving the overall quality of life of citizens, and accelerating the green and digital transitions without compromising competitiveness and private sector development.

Another important document is the **Common Regional Market Action Plan 2025–2028**³⁰ which represents a regionally driven framework based on EU rules and standards, aimed at consolidating and increasing competitiveness and economic cooperation. This Action Plan is an integral part of the **Growth Plan for the Western Balkans**, which aims to stimulate

²⁸ {COM(2020) 641 final}, https://neighbourhood-enlargement.ec.europa.eu/system/files/2020-10/green_agenda_for_the_western_balkans_en.pdf

²⁹ <https://www.rcc.int/pages/148/south-east-europe-see2030-strategy>

³⁰ https://www.berlinprocess.de/uploads/documents/common-regional-market-action-plan-2025-2028_1728992448.pdf

economic growth and increase the socio-economic convergence of the region, bringing it closer to the EU Single Market.

The core areas covered by the Common Regional Market 2.0 include: free movement of goods, free movement of services, horizontal trade measures, human capital development, a favourable business environment and competitiveness, and digital transformation.

The positive impact on GDP and income levels in Western Balkan countries resulting from integration with the EU Single Market — in combination with the EU Cohesion Policy — has been clearly demonstrated in the past. The lessons learned show that further growth requires investment in the modernisation of economies and infrastructure, which calls for additional financial support. **The new Growth Plan for the Western Balkans**³¹ aims to integrate the region's economies into the EU Single Market, enhance regional economic cooperation, deepen EU-related reforms, and increase pre-accession funding to accelerate the socio-economic convergence of the Western Balkans with the EU. This new Growth Plan builds on the existing enlargement methodology and creates mutually reinforcing measures that will multiply the potential benefits of each individual action. The Growth Plan is structured around four pillars:

- Enhancing economic integration with the EU Single Market
- Strengthening economic integration among Western Balkan countries through a Common Regional Market
- Accelerating fundamental reforms
- Supporting convergence through increased financial assistance.

In May 2024, the Council of the EU established the **Reform and Growth Instrument for the Western Balkans**³², a new tool to support EU-related reforms and economic growth in the region. The main objective of the mechanism is to support the alignment of Western Balkan countries with EU values, laws, rules, standards, policies, and practices, with a view to their future EU membership, as well as their gradual integration into the EU Single Market and socio-economic convergence with the EU. The Instrument has a total financial package of €6 billion for the period 2024–2027, consisting of €2 billion in grants and €4 billion in concessional loans. Disbursement is conditional on Western Balkan countries implementing specific socio-economic and fundamental reforms.

Western Balkans Investment Framework (WBIF)³³ provides financing and technical assistance for strategic investments in the energy, environment, social, transport, and digital infrastructure sectors. It also supports private sector development initiatives. Projects and public sector financing programmes under the WBIF may benefit: (a) public entities; (b) private entities, such as — but not limited to — those established within public-private partnerships, joint ventures, or equity-based consortia; and (c) other entities with mixed public-private capital that are in any case responsible for the management, construction, and provision of public utility services.

³¹COM(2023) 691 final, https://neighbourhood-enlargement.ec.europa.eu/document/download/8f5dbe63-e951-4180-9c32-298cae022d03_en?filename=COM_2023_691_New%20Growth%20Plan%20Western%20Balkans.pdf

³² <https://data.consilium.europa.eu/doc/document/PE-80-2024-INIT/en/pdf>

³³ <https://www.wbif.eu/>

Additionally, specific financial instruments available to Western Balkan countries include: the Green for Growth Fund, the European Fund for Southeast Europe, the Regional Energy Efficiency Programme (REEP), the Regional Energy Efficiency Programme for the Western Balkans – REEP Plus, and the Enterprise Innovation and Development Facility for the Western Balkans.

2.3. Overview of the National Policy Framework

The Republic of North Macedonia has adopted specific policy frameworks that define goals and tasks and provide direction for the country's further development across various sectors. The strategic frameworks outlined in different national documents offer a roadmap for addressing these challenges, while also leveraging the potential of SMEs as catalysts for sustainable and inclusive growth. The SME Strategy is aligned with these priorities and further strengthens its contribution to SME development and support.

The following text provides a detailed description of SME-related aspects of each of these policy frameworks, illustrating their interconnections and potential to foster long-term growth in the country.

The **National Development Strategy 2024-2044**³⁴ is a comprehensive and integrative framework designed to guide country's economic, social, and environmental transformation over the next two decades. By incorporating insights from diverse sectors and stakeholders, including local governments, youth organisations, and international partners, the strategy aims to address critical challenges while creating an inclusive and sustainable future.

SMEs are positioned at the core of the strategy, recognised as vital contributors to innovation, employment, and economic growth. The strategy addresses the barriers SMEs face, such as limited access to finance, underdeveloped infrastructure, and regulatory burdens, by proposing a range of supportive measures. Innovative financing mechanisms, including green bonds, venture capital funds, and blended financing models, aim to create an enabling environment for SMEs to thrive. Specific instruments are tailored to enhance credit accessibility, encourage investment in high-potential sectors, and foster entrepreneurial activity, particularly in rural and underserved areas.

The strategy emphasises digital transformation as a key driver for SME competitiveness. Investments in digital infrastructure and capacity-building initiatives are designed to equip SMEs with the tools and skills required to participate in global value chains. The e-commerce, automation and smart technologies are highlighted as essential components of SME growth, with special attention to bridging the digital divide between urban and rural enterprises.

Sustainability underpins the strategy, with a strong push for SMEs to adopt environmentally friendly practices. Through incentives such as tax breaks and access to green financing, the strategy aligns SME operations with the country's broader climate goals. This approach not only contributes to global environmental efforts but also strengthens the market position of SMEs by catering to the growing demand for sustainable products and services.

³⁴ <https://www.nrs.mk/content/ENG%20Draft%20NDS%20fin.pdf>

In line with the above, the implementation of the SME Strategy directly contributes to achieving the first development goal — strengthening the country's competitiveness and development through a functional and innovative ecosystem, enhanced skills, knowledge, inclusion, and citizen resilience — and the following strategic areas:

- Sustainable, innovative, and competitive economy; and
- Green transformation

Government's Work Programme for 2024–2028³⁵ prioritises sustainable economic growth, innovation, and employment, with a focus on strengthening SMEs as a cornerstone of the national economy. Recognising SMEs as drivers of competitiveness and innovation, the program outlines initiatives to enhance their operating environment and market position.

Apart from other priorities, the focus in the programme is also given to improving access to finance for SMEs through tailored credit lines, guarantees, and public-private partnerships. It also defines a framework for the promotion of entrepreneurship by fostering start-up ecosystems and providing financial support to young and innovative businesses. Digital transformation is heavily emphasised, encouraging SMEs to adopt advanced technologies and streamline operations through digitalisation.

To further support SMEs, the programme includes measures to reduce administrative burdens, simplify regulatory compliance, and create incentives for formalisation. Inclusivity is a key theme, with initiatives to integrate women, youth, and marginalised groups into entrepreneurial activities.

The Decision on Defining the Strategic Priorities of the Government of the Republic of North Macedonia for 2024–2028³⁶ sets out the strategic priorities for the 2024–2028 period. In this context, the implementation of the SME Strategy contributes to achieving the priorities related to:

- revitalising the national economy, advancing the energy transition, stimulating a strong cycle of economic growth, ensuring stable public finances, improving overall transport infrastructure, raising the standard of living, and enabling a better and higher-quality life for all; and

- a professional and efficient public administration, development of the digital economy, the ICT sector, artificial intelligence, innovation, and the startup ecosystem;

The **Reform Agenda for North Macedonia 2024-2028**³⁷, as part of the broader WB Growth Plan, outlines measures to foster socio-economic convergence with the EU, with a strong emphasis on SMEs as engines of economic growth. SMEs are targeted through initiatives designed to improve the business environment, enhance access to finance, and foster innovation and integration into regional and global markets.

The agenda addresses challenges that SMEs face, such as limited access to finance and a complex regulatory environment. Proposed measures include establishing credit guarantee

³⁵ <https://vlada.mk/sites/default/files/dokumenti/programa-na-vladata-2024-2028.pdf>

³⁶ Official Gazette of the Republic of Macedonia, No. 256/23 and 177/24

³⁷ https://mep.gov.mk/data/MK_Reform%20Agenda_EN.pdf

schemes, enabling the use of intangible assets as collateral, and simplifying administrative processes to ease the cost of doing business. Additionally, the agenda highlights the need to formalise informal SMEs, offering incentives for registration and compliance.

Innovation is a priority, proposing increased support for R&D, particularly in sectors such as ICT and smart agriculture. SMEs are encouraged to adopt green and digital technologies, supported by targeted financial incentives and capacity-building initiatives. The focus on digital transformation includes measures to expand broadband access and equip SMEs with tools for e-commerce and digital management.

The ***Circular Economy Roadmap 2024***³⁸ sets a strategic path for the country's shift to a circular economy, emphasising sustainability and economic resilience. SMEs are at the centre of this transition, recognised for their role in adopting practices that reduce waste, enhance resource efficiency, and promote material reuse and recycling. The roadmap highlights the importance of equipping SMEs with the tools to lead in areas like construction, textiles, biomass, and mining, where circular practices can drive sectoral transformation.

Key measures include building SME capacity through training, mentoring, and collaboration initiatives while offering financial incentives such as grants and tailored funding programmes. In construction, SMEs are encouraged to use recycled materials and adopt sustainable methods. In textiles, the focus is on eco-design and waste reduction, while the biomass sector promotes circular supply chains and efficient waste management.

The **Industrial Strategy of North Macedonia 2018-2027**³⁹ underscores the critical role of SMEs in driving the industrial sector's development. Recognised as pivotal to innovation, export growth and job creation, SMEs are integral to achieving the strategy's vision of enhanced productivity, competitiveness, and sustainable industrialisation.

The strategy emphasises creating a conducive environment for SMEs through targeted measures, such as improving access to finance via public-private partnerships, grants, and international funding. It identifies the manufacturing sector as a priority, where SMEs can lead in advancing value chains and adopting innovative technologies.

Addressing challenges like regulatory complexities, the strategy proposes streamlined policies to ease SME operations. By fostering collaboration between government bodies and the private sector, it aims to ensure SMEs can thrive and contribute significantly to North Macedonia's industrial growth.

The **Growth Acceleration Plan 2022-2026**⁴⁰ is a critical framework to enhance the country's economic growth and recovery following the COVID-19 pandemic. SMEs are at the core of this plan, identified as key drivers of innovation, employment, and sustainable development.

The plan addresses financial constraints faced by SMEs by proposing a range of innovative financing mechanisms. These include venture capital funds, green bonds, hybrid investment funds, and guarantee schemes. Tailored to encourage private investment, these instruments aim to mobilise €12 billion in funding—combining €4 billion in public financing with €8 billion

³⁸ https://www.oecd.org/content/dam/oecd/en/publications/reports/2024/03/a-roadmap-towards-circular-economy-of-north-macedonia_f4d7444c/1973c88c-en.pdf

³⁹ <https://www.economy.gov.mk/Upload/Documents/Finalna%20Industriska%20Strategija.pdf>

⁴⁰ https://finance.gov.mk/wp-content/uploads/2022/01/Growth-Acceleration-Plan_final-1.doc

from private sources. Specific initiatives, such as the Fund for Innovations and Technology Development (FITD) and the Hybrid Green and Digital Economy Fund, are designed to enhance SME access to capital while fostering innovation and green business practices.

Digital transformation is a cornerstone of the plan, with SMEs encouraged to adopt advanced technologies and e-commerce platforms. Investments in digital infrastructure and skills development are prioritised to ensure SMEs remain competitive in domestic and international markets.

The **Just Transition Roadmap (2024-2030)**⁴¹ establishes a framework for the RNM's transition from coal dependency to a green and sustainable economy, highlighting the role of SMEs in driving innovation, employment, and economic resilience. SMEs are positioned as key players in this shift, particularly in coal-dependent regions like Pelagonija and the Southwest, where the transition seeks to replace traditional industries with cleaner, more sustainable alternatives.

The roadmap emphasises the need for SMEs to lead in sectors like renewable energy, resource efficiency, and sustainable infrastructure. To address barriers such as limited funding and skills gaps, the roadmap outlines financial mechanisms like credit schemes and green investment funds targeted at SMEs. It also focuses on upskilling and reskilling workers through vocational training programmes, particularly for those transitioning from coal-related industries. Inclusivity is prioritised, with efforts to engage women, youth, and marginalised groups in SME activities, fostering broader socio-economic benefits.

The **National Strategy for Sustainable Development 2009-2030**⁴² positions SMEs as key drivers of innovation, job creation, and sustainable growth in the RNM. The strategy emphasises improved access to finance, simplified regulations, and capacity-building initiatives to enhance SME competitiveness, particularly in manufacturing, tourism, and agriculture. It also defines mechanisms to encourage SMEs to adopt green technologies and resource-efficient practices, supported by incentives like low-interest loans and grants. Inclusivity is also prioritised, promoting greater participation of women, youth, and rural entrepreneurs in SME activities.

By fostering cross-sector collaboration and involving SMEs in policymaking, the strategy aims to create a resilient and equitable economy while aligning with EU sustainability standards.

The **National Employment Strategy 2021-2027**⁴³ focuses on creating a resilient labour market, with SMEs playing a critical role in fostering job creation and economic growth. Although SMEs constitute 99% of the total number of enterprises, employing almost 3/4 of the workforce, yet they face challenges such as low productivity and limited access to finance.

To enhance SME competitiveness, this policy document emphasises improving access to finance through grants, microloans, and credit guarantee schemes. Special attention is given to fostering innovation within SMEs, particularly in high-growth sectors such as ICT and professional services, which have shown significant increases in employment and value-added

⁴¹

<https://economy.gov.mk/content/documents/Web%20strana%20zabeleshki%20od%20Agencija%20za%20primena%20na%20jazikot%20na%20RSM%2007.07.2021.pdf>

⁴² This strategy was transformed into National Development Strategy 2024 - 2044

⁴³ https://www.mtsp.gov.mk/content/pdf/2021/trud/strategija_vrabetuvanje_2021_eng.pdf

contributions. Training and upskilling programmes aim to bridge the skills gap, ensuring the labour market aligns with SME needs.

The strategy also supports SMEs in transitioning to formalised operations, with simplified regulatory frameworks and incentives for formal business registration. Moreover, targeted initiatives aim to promote inclusivity by increasing the participation of women, youth, and marginalised groups in SME activities, fostering equitable opportunities across the labour market.

The **Strategy for Formalising the Informal Economy 2023-2027**⁴⁴ focuses on reducing the prevalence of informal economic activities and integrating informal enterprises into the formal economy. SMEs remain at the focus of this effort, given their significant representation in the informal sector and their potential to drive inclusive and sustainable economic growth.

The strategy highlights the challenges SMEs face, including limited access to finance, insufficient capacity for regulatory compliance, and a lack of formal training. To address these issues, it outlines measures such as tailored financial tools, capacity-building programmes, and streamlined regulatory frameworks. These initiatives aim to support SMEs in transitioning to formal operations, thereby enhancing productivity and access to new markets.

Key sectors like agriculture, construction, and services are targeted, where SMEs have a high presence in the informal economy. The strategy includes incentives for registration, tax breaks for newly formalised businesses, and integration into value chains to encourage compliance with labour and fiscal regulations.

Under the authority of the Ministry of Digital Transformation (MoDT), the **National ICT Strategy 2023-2027** is currently underway, with the aim of accelerating the country's digital transformation, recognising SMEs as key drivers of innovation and economic growth. The strategy emphasises the importance of enabling SMEs to adopt advanced digital technologies and integrate into the fast-moving digital economy.

The strategy identifies four pillars crucial for SME development: digital infrastructure, digital skills, digital governance, and business digitalisation. Initiatives under these pillars include improving access to high-speed internet, offering tailored training programmes to build SME capacity, and simplifying access to digital government services. SMEs are supported in adopting technologies such as artificial intelligence, big data, and cloud services to enhance productivity and competitiveness.

Special attention is given to fostering collaboration between SMEs and ICT enablers, creating a supportive environment for innovation. The strategy also highlights the need for financial instruments and incentives to facilitate SME participation in the digital economy, particularly in underserved and rural areas.

The **Smart Specialisation Strategy (2024-2027)**⁴⁵ focuses on enhancing North Macedonia's innovation ecosystem by promoting research, development, and innovation in high-priority

⁴⁴ https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Ffinance.gov.mk%2Fwp-content%2Fuploads%2F2023%2F09%2FStrategija-za-neformalna-ekonomija-2023-2027_korekcija-28082023-2-1.docx

⁴⁵ <https://mon.gov.mk/stored/document/Draft%20S3%20MK.pdf>

sectors. SMEs are seen as engines of transformation toward a knowledge-driven and sustainable economy.

The strategy identifies priority domains such as smart agriculture, ICT, the electro-mechanical industry (Industry 4.0), and sustainable materials and smart buildings, all of which offer significant opportunities for SME growth. These domains align with the needs of SMEs, fostering innovation through collaborations with academic institutions and access to advanced technologies.

Financial support is a key element, with the introduction of grants, innovation vouchers, and co-financing schemes to assist SMEs in commercialising innovations. Special focus is given to start-ups and spin-offs, offering tailored funding to boost their market entry and competitiveness. SMEs are also encouraged to adopt green and digital practices, supported by targeted measures to reduce their carbon footprint and enhance technological capabilities. The creation of digital innovation centres that support companies and the public sector in the twin transition will also be co-financed⁴⁶.

The **Regional Development Strategy 2021-2031**⁴⁷ focuses on reducing regional disparities, promoting balanced economic growth, and fostering social cohesion. SMEs are positioned as essential players in achieving these goals, particularly in economically underdeveloped regions.

The strategy emphasises creating a supportive ecosystem for SMEs by improving access to finance, simplifying administrative procedures, and enhancing regional infrastructure. Key measures include incentives for SMEs to invest in priority regions and sectors, fostering local entrepreneurship, and creating industrial zones to support SME operations. These efforts are designed to stimulate regional economies while reducing unemployment and boosting innovation.

SMEs are encouraged to participate in cross-regional initiatives and value chains, which align with broader goals to integrate local economies into national and international markets. The strategy also prioritises inclusivity by supporting women, youth, and marginalised groups in establishing and managing SMEs.

The **National Strategy for Prevention of Corruption and Conflict of Interest 2021-2025**⁴⁸ outlines comprehensive measures to reduce corruption across various sectors in North Macedonia. While the document primarily focuses on governance and public sector integrity, it includes elements relevant to SMEs, emphasising their role in fostering transparency and accountability in the private sector.

The strategy recognises SMEs as essential actors in economic development, requiring measures to ensure transparency in public procurement and grant allocation processes. It highlights challenges such as unequal treatment and opaque procedures that SMEs often face when engaging with public institutions. To address these issues, the strategy advocates for

⁴⁶At the beginning of 2025, the European Digital Innovation Hub (EDIH) officially began operating - an access mechanism through which SMEs can access digital services through access to European funds.

⁴⁷ <https://mls.gov.mk/files/Strategija-Za-RRR.pdf>

⁴⁸ <https://dksk.mk/wp-content/uploads/2021/01/Nacionalna-strategija-DKSK-KONECNA.pdf>

digitisation, improved monitoring mechanisms, and increased transparency in awarding grants, subsidies, and contracts.

Additionally, the strategy encourages private-sector initiatives to promote integrity, such as the adoption of corporate governance standards and compliance programs. By integrating SMEs into the broader fight against corruption, the strategy aims to create a more equitable and transparent economic environment, supporting sustainable development and competitiveness.

Through these measures, the strategy seeks to build trust between SMEs and public institutions while reducing systemic barriers that hinder their growth and participation in the economy.

The **Fintech Strategy for Financial Regulators 2023-2027**⁴⁹ focuses on leveraging financial technology to modernise North Macedonia's financial system. SMEs are highlighted as key beneficiaries of the strategy due to their reliance on innovative and inclusive financial services. By supporting the growth of the fintech sector, the strategy aims to improve SME access to finance, streamline transactions, and encourage digital adoption.

A central component of the strategy is fostering financial inclusion through digital solutions. SMEs, often underserved by traditional financial institutions, are targeted with tailored fintech services like crowdfunding, digital payments, and peer-to-peer lending platforms. These services aim to reduce the barriers to credit access and increase operational efficiency for SMEs.

Export promotion strategy of the Republic of North Macedonia 2024-2027⁵⁰ aims to intensify the process of internationalisation of the Macedonian economy in order to diversify and increase exports, as well as increase the domestic added value of the exports and integration into the global value chains. The strategy is built on the five main pillars:

- improved business environment for export promotion;
- improved information and encouragement of the domestic enterprises to start exporting or to promote the exports;
- building and strengthening the overall export capacities;
- greater promotion and connection of domestic export capacities; and
- facilitated and increased access to finance through favourable credit lines for exporters and export risk management.

⁴⁹ <https://mapas.mk/wp-content/uploads/2023/07/fintech-strategy-for-financial-regulators.pdf>

⁵⁰ <https://www.economy.gov.mk/en-GB/news/strategija-za-promocija-na-izvozot-na-republika-severna-makedonija-2024-2027-so-akciski-plan-2024-2025.nsp>

3. The methodological approach

3.1. Methodology used

The overall methodological approach in preparation of the SME strategy should be considered from two perspectives. The first one is directly related to drafting the document and its content, and the second one is related to the organisational aspect of the process itself.

The approach to the preparation of the document is presented in Figure 1. Specifically, the process includes a review of various secondary sources of information and, based on their analysis, the text of the new strategy was prepared. This mainly refers to the findings obtained from the analysis of the implementation of the previous SME strategy and the lessons learned from it, as well as alignment with the relevant EU, regional, and national policy frameworks of the country. All of this was carried out in accordance with the guidelines for drafting policy documents defined in the Rulebook on the Structure, Content, and Method of Preparation, Implementation, Monitoring, Reporting, and Evaluation of Sectoral and Multi-sectoral Strategies.



Figure 1. Structural approach for development of the National SME strategy 2025-2030

The second aspect concerns the organisation of the overall process. As the coordinator of the process, the Ministry of Economy and Labour (MoEL) applied a participatory and inclusive approach in its cooperation with other institutions and organisations. This means that all relevant institutions and organisations were involved in the preparation of the document by appointing their representatives to participate in the working group. This

working group will also contribute to the development of the Action Plan for the implementation of the strategy and will serve as the body responsible for monitoring its implementation. The working group was established in September 2024 and is composed of representatives from the Ministry of Economy and Labour, Ministry of Digital Transformation, Ministry of Public Administration, Ministry of Environment and Spatial Planning, Ministry of Education and Science, the Agency for innovation, scientific and technological development and entrepreneurship (INOVA), the Central Registry, the State Statistical Office, Ss. Cyril and Methodius University, South East European University, the Economic Chamber of North Macedonia, the Union of Chambers of Commerce of Macedonia, the Economic Chamber of North-West Macedonia, as well as a representative from the Government.

Figure 2 shows the methodological approach used in preparing the Strategy, but also the methods that will be used during the implementation. This is envisaged in line with the Rulebook on the Structure, Content, and Method of Preparation, Implementation, Monitoring, Reporting, and Evaluation of Sectoral and Multi-sectoral Strategies.

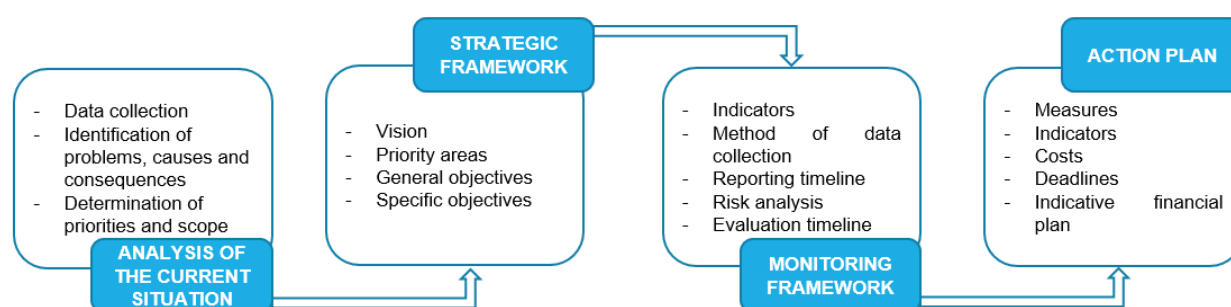


Figure 2. Methodological approach used for the process of development of the Strategy

Based on the priorities, measures, and activities defined in the strategy, two action plans will be developed — one for the period 2025–2027 and another for the period 2028–2030. The action plan for the first period (2025–2027) is submitted as an annexe to this Strategy. The action plan will elaborate in detail all the measures and activities to be implemented that will contribute to achieving the strategic goals, the timeline for their implementation, the necessary financial resources, and will also define concrete indicators for monitoring and evaluating the implementation of the Strategy.

The implementation of the strategy will be assessed on the basis of the M&E Reporting Framework, which is presented in the final part of this document. Also, the strategy elaborates on the potential risks that have been identified during the preparation of the strategy. Those risks represent a real threat to achieving the Strategy’s goals and objectives, and if not mitigated properly, they can negatively influence the implementation and achievement of the objectives. Chapter 7 elaborates in detail the potential risks that might occur, their chance of occurrence, the impact that they potentially might have on the strategy and its implementation, as well as pre-defined measures that should be considered in order to overcome those risks.

3.2 Involvement of the stakeholders in the process of policy drafting

The involvement of stakeholders in the policy-making process is crucial for several reasons. It enhances the quality, transparency, legitimacy, and effectiveness of policies, fostering a sense of ownership and cooperation among all parties. Involving stakeholders is not just a best practice, but a necessity for creating well-rounded, effective, and sustainable policies. Policymakers should establish mechanisms such as public consultations, advisory committees, and partnerships to facilitate meaningful stakeholder participation throughout the policy-making cycle.

Led by these principles, in drafting this policy framework document, the MoEL has invited all relevant stakeholders to take an active role in this process, by participating in the working group that was established at the very beginning (when this process was initiated). As previously stated, in this working group, representatives from the state institutions, but also representatives from the chambers of commerce and universities, participate.

The MoEL, as a coordinator of the process, has organised several meetings with the working group members, prior to adoption of the Strategy, in order to update them about the progress in respect to drafting the document, but also to consider their suggestions and opinions for further enhancement of the document and policy drafting process itself. The members of the working group will also take an active role in drafting the new action plan that should accompany this Strategy, which will be developed at the beginning of 2025, but also in monitoring the strategy's implementation.

Apart from the institutions and organisations that participated in the working group, the MoEL organised additional consultations with other stakeholders to consider their opinions on the new Strategy. In this respect, several business support organisations and other institutions were consulted, as well as the donor community and other relevant international organisations.

Prior to the adoption of the Strategy, the document was also published at the Unique National Electronic Register of Regulations in order to consider additional suggestions from a wider audience. Following the feedback and comments received from the stakeholders, beneficiaries and other interested parties, the final version of the Strategy was developed and sent to the Government for approval.

4. Analysis of the current situation in the SME sector

4.1. Analysis of the SME Sector

In order to identify the trends regarding the number of MSMEs and their performance levels and to understand their economic contribution to the national economy, an overview of the most important macroeconomic indicators related to the SME sector is presented in the section below. Moreover, these indicators are pivotal in the process of policy formulation and intervention plans towards creating an effective national SME policy strategic framework.

The analysis considers the period from 2018 to 2023, a period when MSMEs encountered various economic challenges, including inflationary pressures, the impacts of the COVID-19 pandemic, and changes in the price of imported raw materials for production.

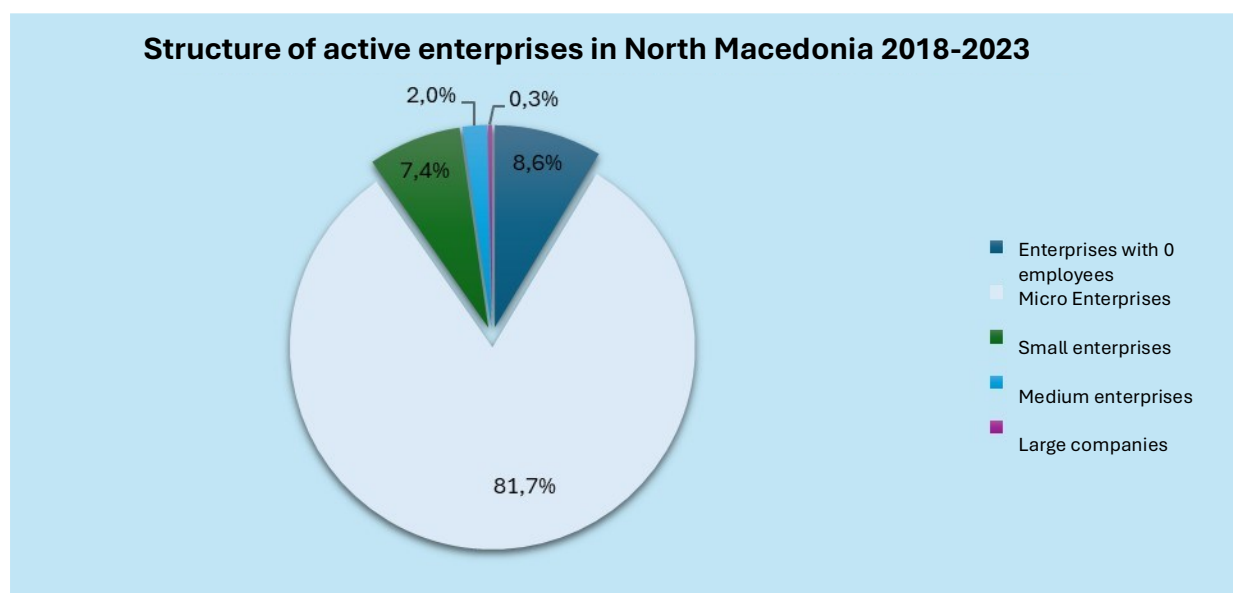


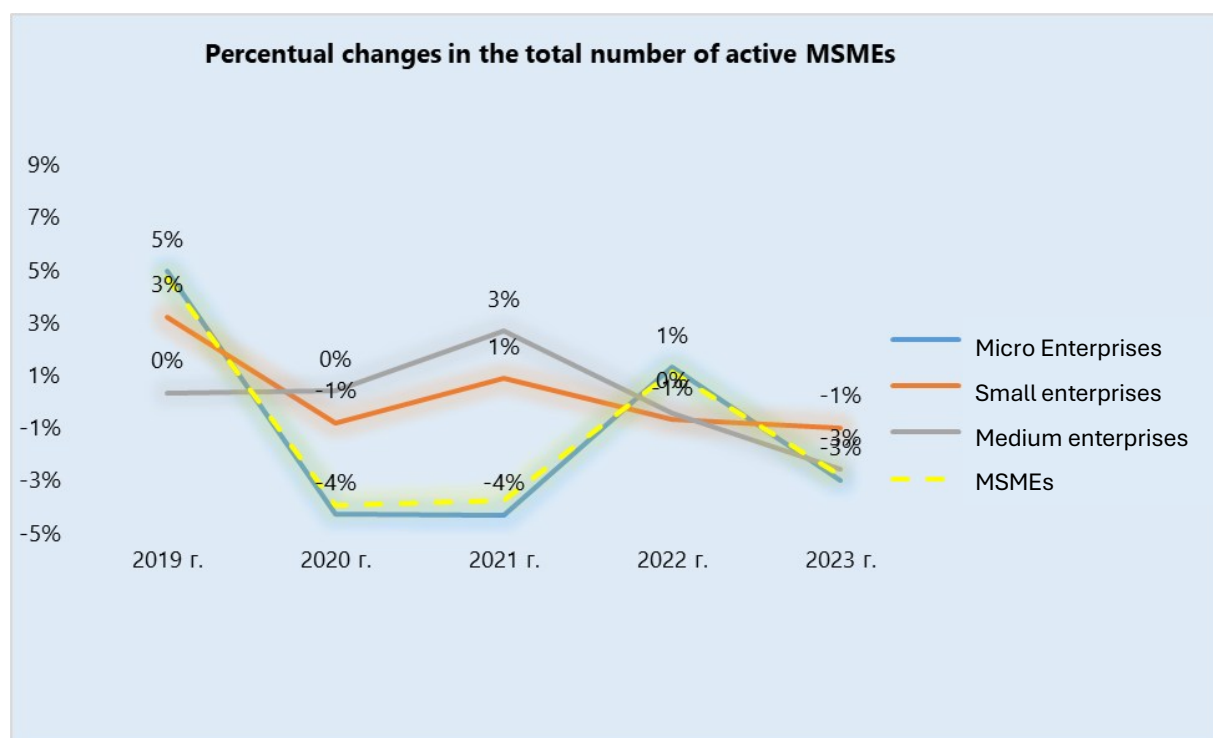
Figure 3. Structure of active enterprises in North Macedonia

According to the size of enterprises, a clear dominance of micro enterprises can be noted in the country. These enterprises constitute 81,7% of all businesses (figure 3). Enterprises with zero employees represent 8,6% (which in most cases are considered as micro enterprises too), and the small enterprises account for 7,4%. Among the lower share are the medium-sized enterprises with 2.0% and large enterprises, which represent only 0,3% of the total number of active enterprises.

According to data from the State Statistical Office, the total number of active micro, small and medium-sized enterprises (MSMEs) in 2023 was approximately 69,000. Of these, around 90% were micro-enterprises (0–9 employees, including those with zero employees), followed by 8% small enterprises (10–49 employees), while medium-sized enterprises (50–249 employees) accounted for the smallest share, or 2%. In the period from 2018 to 2023, as shown in the chart in Figure 5, fluctuations in the number of active enterprises ranged between -4% and 5%.

Compared to 2018, there is a slight increase in the number of medium enterprises (0.6%) and small enterprises (1,7%). Also, the group of micro enterprises, composed of enterprises with

zero employees and the number of enterprises with 1 to 9 employees, noted a slight decrease of 4.8% (2023 vs. 2018). This brings the general conclusion that the MSMEs sector in 2023, based on the number of active enterprises, experienced a decrease of -4,4% compared to 2018.



* In the number of micro-enterprises, the number of enterprises with zero employees is also included. They construct approximately 10% (on average) of the total number of micro-enterprises, and the other 90% are constructed of enterprises with 1-9 employees.

Figure 4. Change in percentage in the total number of active enterprises (micro, small and medium enterprises in the period 2018-2023

Analysed by type of enterprise, in 2019, micro-enterprises recorded an increase in their number (by 5% compared to 2018). On the other hand, although small enterprises also recorded growth compared to 2018, from 2019 onward a declining trend is observed in their number, ranging from -2% to -3%, except in 2022 when their number increased. The pandemic severely affected enterprises on multiple levels, disrupting normal operations and revealing weaknesses in sectors that depend on direct interactions and continuous supply chains. These effects highlighted the critical need for digital and operational flexibility, as businesses with digital capabilities coped better than those limited to traditional, face-to-face transactions⁵¹.

In 2019, the SME sector experienced significant growth, driven by government reforms aimed at creating a favourable business environment. These included simplified regulations and incentives for entrepreneurship, along with increased access to EU markets.

⁵¹European Commission. (2021). Progress Report on the Economic Impact of COVID-19 on North Macedonia. https://neighbourhood-enlargement.ec.europa.eu/document/download/724722a9-240b-4001-abce-648e0c96f88b_en?filename=North-Macedonia-Report-2021.pdf

Overall, the development trend of the MSME segment is primarily dictated by changes in the number of micro-enterprises and follows their trajectory, as they represent the largest group compared to other types of enterprises.

In comparison to the total number of enterprises, the MSME sector accounts for the majority of businesses in the economy of the Republic of North Macedonia, or 99% of all active enterprises in 2023.

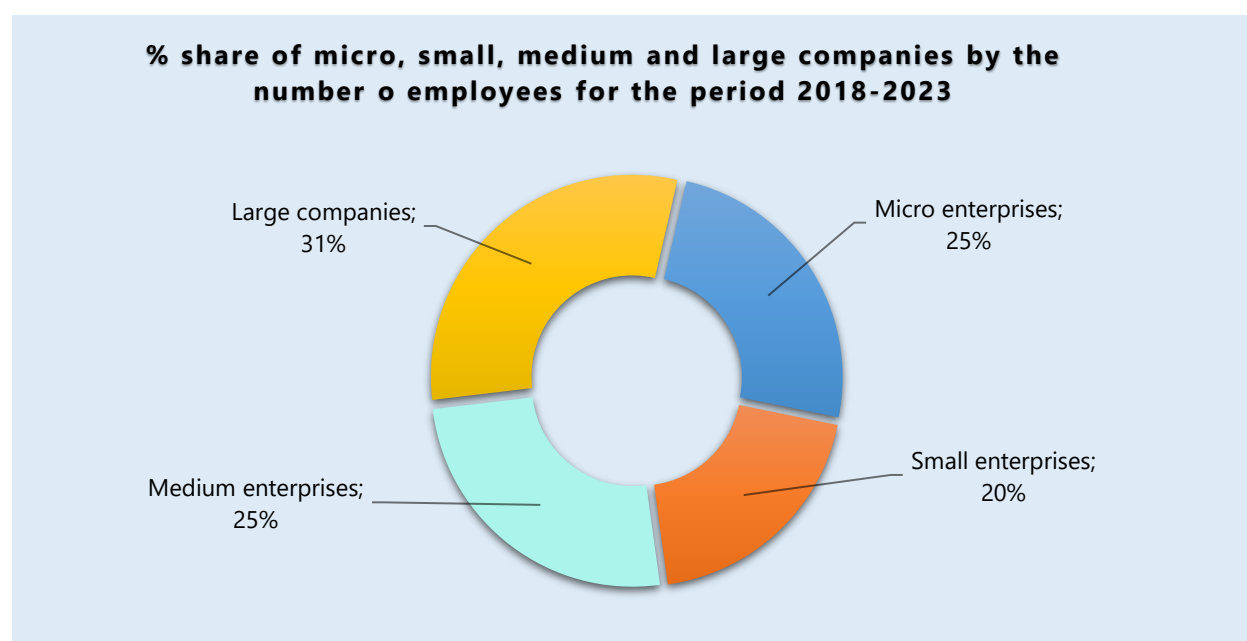


Figure 5. Participation of MSMEs in the employment

Another aspect of the analysis examines the percentage share of employees in MSMEs and large enterprises (Figure 5). Despite micro-enterprises making up the largest portion of all enterprises, their share of employment averaged 25% of the total workforce over the past six years (2018–2023), which is the same as that of medium-sized enterprises, which also employ 25% of the labour force. Small enterprises account for 20%, while large enterprises—although they represent only 0.3% of the total number of enterprises—employ 30% of the workforce.

According to the latest data (Figure 6), in 2023 micro-enterprises employed 134.698 employees, which indicates a decrease in comparison to the number of employees of micro-enterprises in 2018 (138.382).

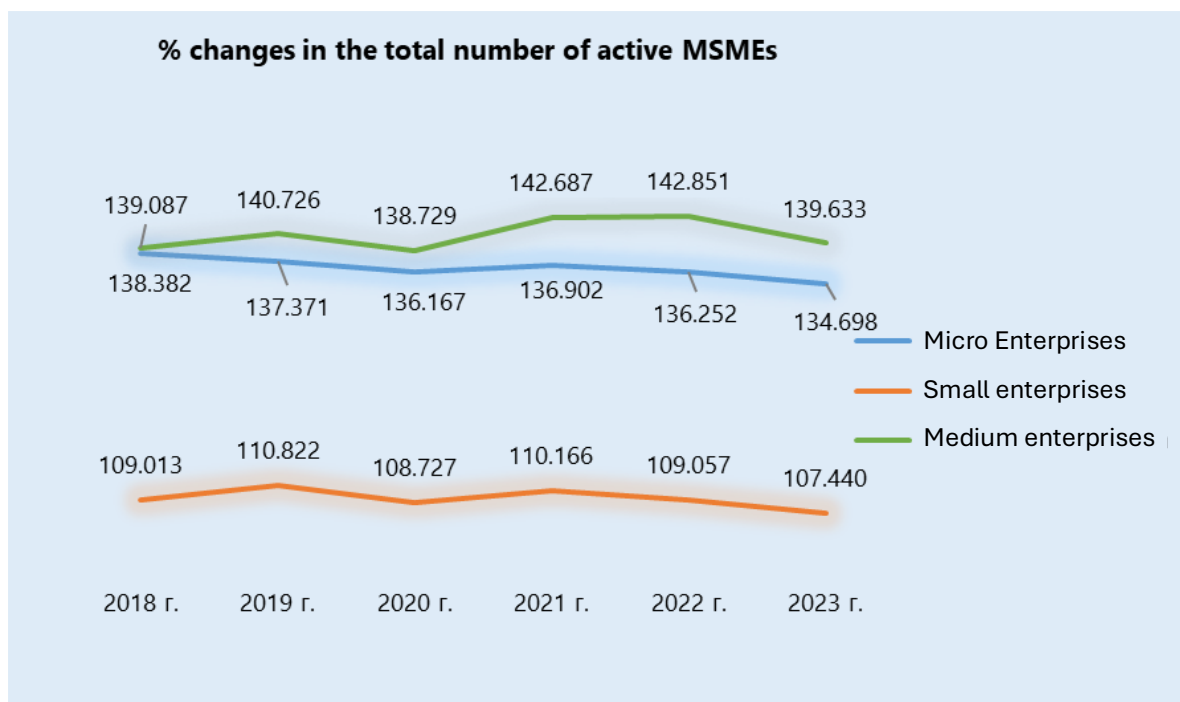


Figure 6. Employees in micro, small and medium enterprises

The same downward trend is observed among small enterprises, which in 2023 employed 107,440 people, representing a decrease compared to 2018 (when the number of employees was 109,013) or a drop of just -1% compared to 2022 (109,057 employees).

The last group analysed is the number of employees working in medium-sized enterprises, employing on average 140.619 people each year (from 2018 to 2023). Compared to 2022, a decrease of 2% is noted, from 142.851 to 139.633 employees in 2023.

The number of newly opened and closed enterprises is also one of the key indicators of the economic health and dynamism of a national economy. These figures provide insights into the level of entrepreneurship, market competition, and the overall business environment. Again, the following analysis is broken down by the size of the enterprise, to ensure a preview of the balance rates in opened and closed enterprises and their share in the total number of opened or closed enterprises per year.

On average, approximately 3.975 new micro-enterprises were created each year from 2018 to 2023, while 5.900 enterprises closed annually during the same period. According to the annual comparison, 2021 is characterised by the highest number of newly opened micro enterprises (4.332), which is very close to the total number of newly established SMEs (4.422). In a period of 6 years (2018-2023), there is a 13% increase in the number of newly opened micro-enterprises. In comparison to the total number of opened enterprises, micro-enterprises take a share between 97% to 98%.

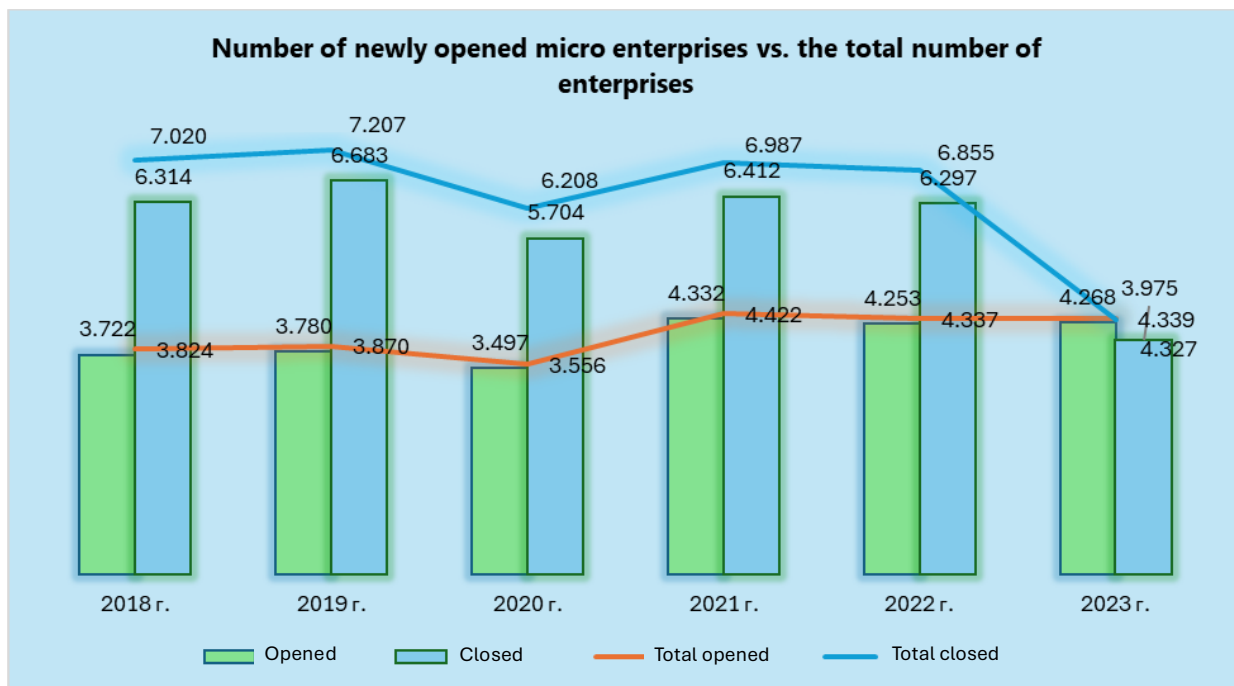


Figure 7. Number of micro companies (opened/closed) for the period 2018-2023

Analysing the number of closed micro-enterprises, the figure shows a decrease from 6,134 in 2018 to 3,975 in 2023, which represents a 59% reduction. Accordingly, closed micro-enterprises account for between 90% and 93% of the total number of closed enterprises.

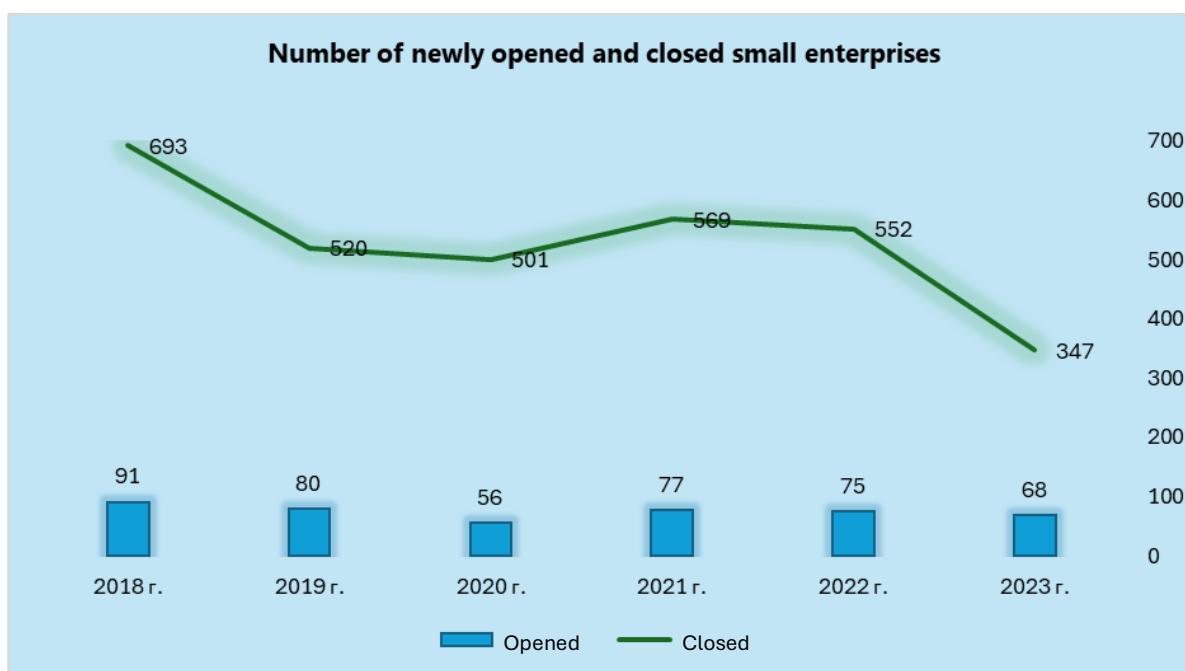


Figure 8. Number of small companies (opened/closed) for the period 2018-2023

When it comes to the number of newly established small enterprises (10–49 employees), their number in 2023 was 68, compared to 91 in 2018. Additionally, the rate of new small enterprises in 2023 decreased by 10% compared to the previous year.

On average, 78 small enterprises were established annually during the 2018–2023 period. Newly established small enterprises also accounted for approximately 2% of the total number of newly established enterprises.

On the other hand, the number of small enterprises that closed decreased significantly (by 50%) in 2023 compared to 2018. In absolute numbers, in 2023 the number of small enterprises that closed was 347 compared to 693 in 2018 (and 552 in 2022). The average rate of closed small businesses in the total number fluctuates between 7% and 10% over the period.

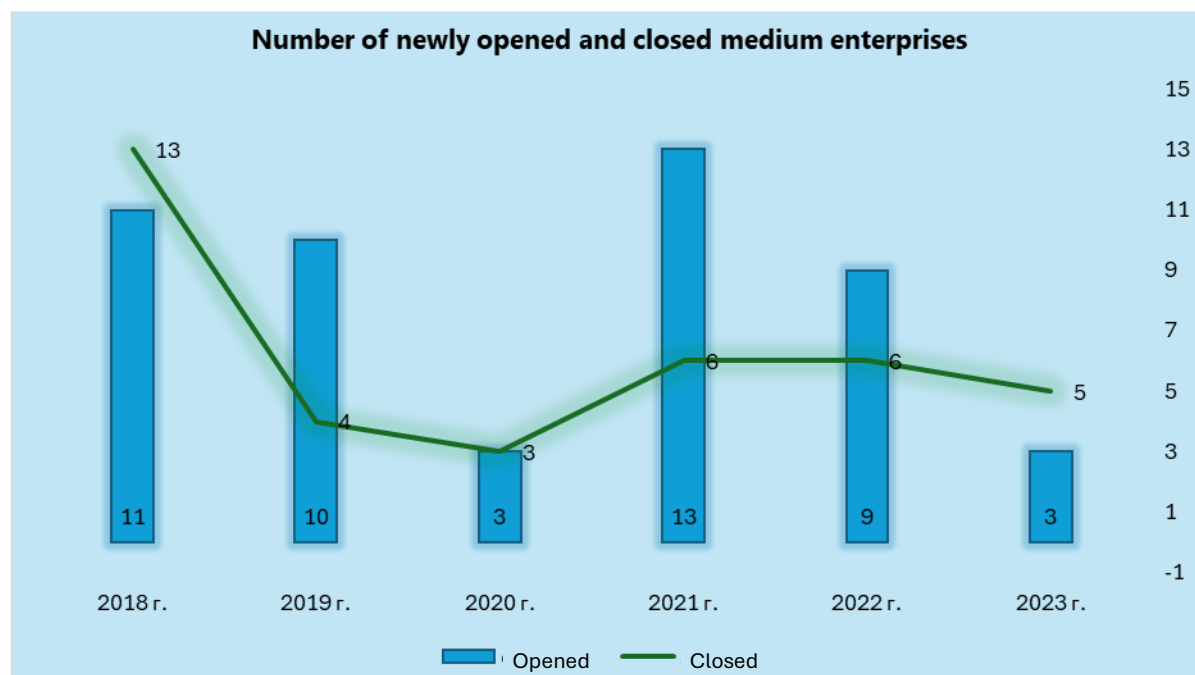


Figure 9. Number of medium-sized companies (opened/closed) for the period 2018-2023

On average, it can be noted that the only group of enterprises that has a higher number of open enterprises than closed enterprises is the group of medium enterprises. Precisely, in each analysed year, the number of newly opened medium enterprises remains higher than the number of closed medium enterprises, except in 2020, where their number are equal.

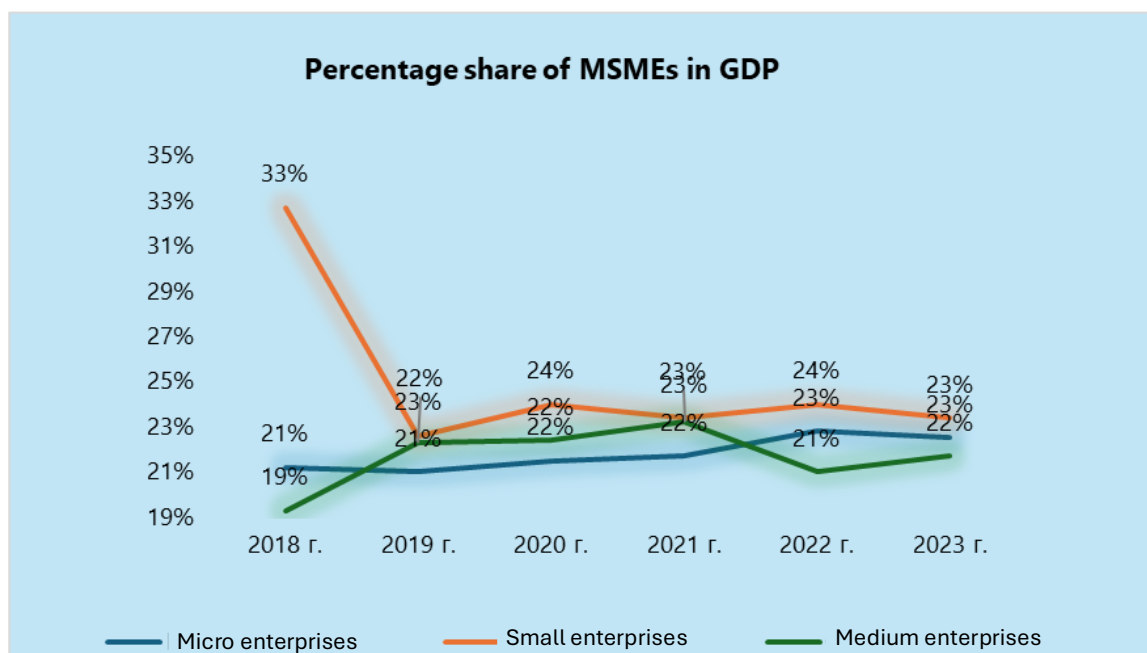


Figure 10. Number of companies that participate as a percentage in the GDP for the period 2018-2023

In terms of contribution to GDP, during the period 2018–2023, MSMEs had a significant share of around 68% of the country’s GDP. Analysed separately, micro-enterprises maintained a stable share ranging from 21% to 23%. On the other hand, small enterprises showed greater fluctuations, with their GDP contribution varying between 32% and 22% in the 2018/2019 period, followed by a more stable share of 22% to 24% in the subsequent years. Additionally, over the years, medium-sized enterprises contributed between 19% and 22% to GDP.

According to the latest data, 95% of all exporting enterprises during the period 2018–2022 were MSMEs. In 2022, the total number of exporting enterprises was 3,892 (representing 5.4% of all enterprises), of which 3,592 were MSMEs.

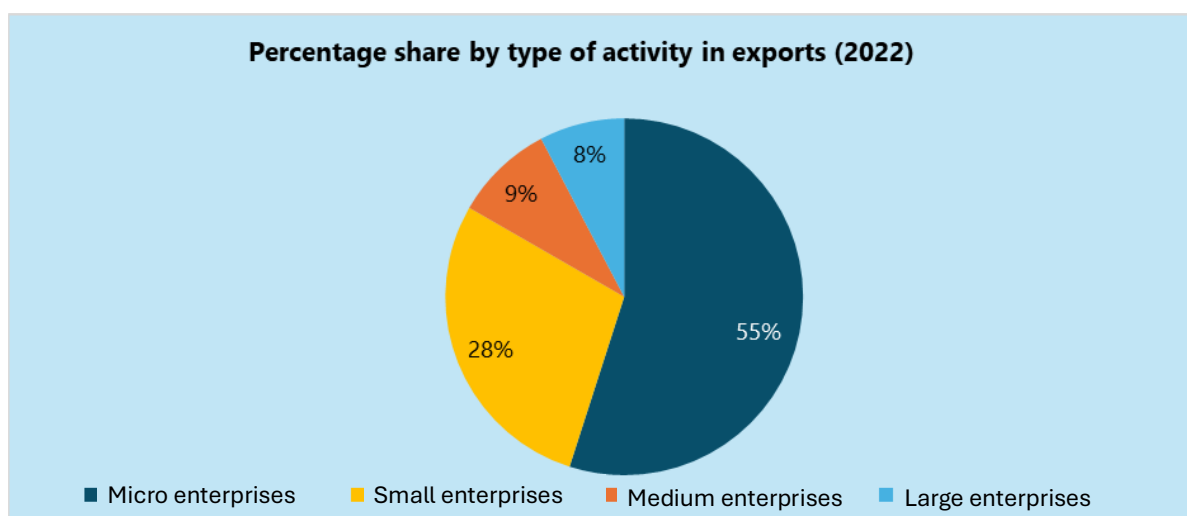


Figure 11. Percentage representation of different types of enterprises in exports

Analysed in percentages, in order to define the importance of the MSME sector, it can be concluded that in 2022, 55% of enterprises that export are micro enterprises, 28% are small enterprises, and 9% are medium-sized enterprises. The remaining 8% are large enterprises.

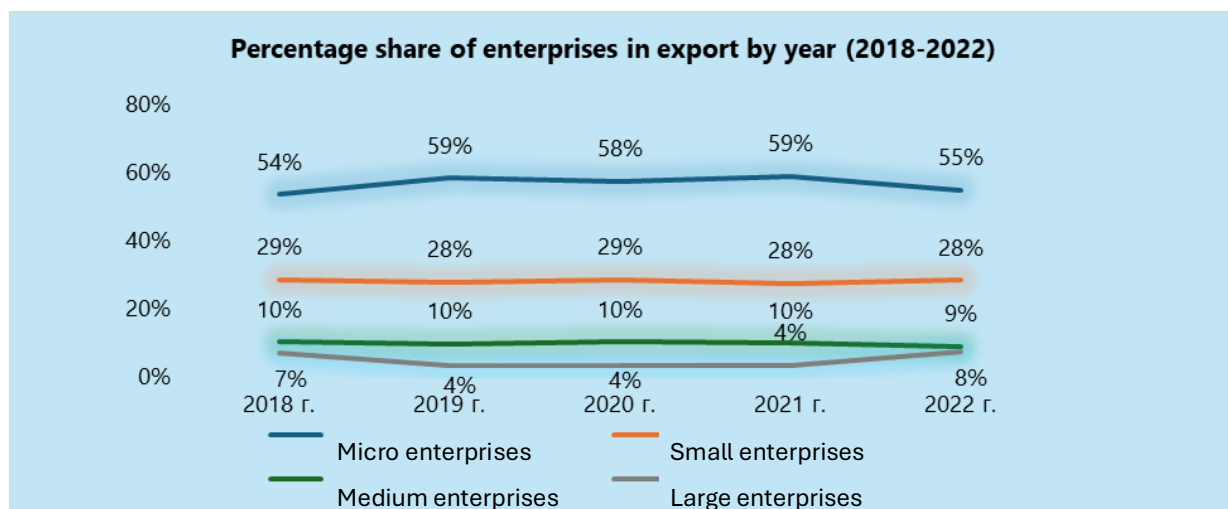


Figure 12. Number of companies that participate in the export for the period 2018-2022

In the period from 2018 to 2022, based on the number of MSMEs that participated in export-related activities, the micro-enterprises had the highest share, with their participation in overall export trade ranging from 53% to 59%.

Small enterprises, on the other hand, maintained a more stable participation rate throughout the period, fluctuating between 27% and 30%. For medium enterprises, there was a general decline in their participation in exports from 11% in 2017 to 9% in 2022.

4.2. SWOT and Stakeholder Analysis

This section elaborates on the different factors and aspects that might influence the implementation of the strategy by conducting the Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis, which is a critical tool in the policy development process since it helps policymakers to make informed decisions by systematically evaluating internal and external factors. Using SWOT analysis early in the policy development process ensures that the final policy is robust, balanced, and adaptable, increasing the likelihood of successful implementation and achieving desired outcomes and results. Apart from this, it also elaborates and provides an analysis of the stakeholders' capacities that are involved in the preparation of the policy framework, but also those that will be later involved in the implementation of the Strategy.

Table 4. Summary of the SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Experience in implementing policy documents and lessons learnt from the implementation of the previous SME Strategy • Well-established coordination with other ministries and institutions • Enhanced level of awareness among different stakeholders about the importance of the SME Sector • Recognition by the international partners of the existence of the new Strategy in their assessment reports and analysis • Development of new priorities in line with the SME needs as well as other EU, regional and national policy frameworks and priorities 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of institutional human resources and capacities to implement the strategy • Budget allocations for 2025, as defined in the annual programmes of the institutions do not secure an adequate financial framework to implement the envisaged activities • Lack of adequate M&E tools to monitor the overall implementation of the Strategy • Lack of efficient/quick administrative procedures for the implementation of the legal framework (laws) implementation • Lack of better coordination among the donor community in order to avoid overlaps of their support to the SME sector.
<p>Opportunities</p> <ul style="list-style-type: none"> • Enhance the cooperation with the donor community to support the implementation of the action plan • Strengthening the capacities of administrative officials will enable the implementation of the activities envisaged in the Strategy, which will lead to the achievement of the strategic goals and objectives. • Greater networking with European partners and access to European funding mechanisms related to SME competitiveness (e.g. European Innovation Council, European Institute of Technology and Innovation, HORIZON, etc.) 	<p>Threats</p> <ul style="list-style-type: none"> • Lack of necessary financial support to implement envisaged activities and measures • Global crises, shocks and risks • Full implementation of the monitoring, evaluation and reporting system • Insufficient readiness for change due to a lack of capacity (number of employees) within institutions • Change of key personnel within the working group, and/or leading institutions • Business support organisations are not supporting the implementation of the Strategy with their full capacities • Changes in priorities among the donor community and international organisations regarding the activities outlined in this strategy and action plan • Lack of human capacities to support SMEs with financial and non-financial services, including digital uptake and greening. • Absence of entrepreneurship education and the lack of an enterprise culture in the country.

The SWOT analysis provides a framework of potential factors and assumptions (external and internal) that might influence the implementation of the Strategy and its action plan. The results from the conducted SWOT analysis also assisted the process of drafting this strategy in identifying the potential threats and bottlenecks that might negatively impact the implementation of the strategy, and to identify specific mitigation measures that will reduce the negative impact on the implementation, but also on the achievement of set goals. The SWOT analysis should be continuously prepared on a regular basis in order to analyse the shifts in the factors and challenges that might influence the implementation of the Strategy.

With respect to ‘Strengths’, it can be summarised that the policy-making process is well developed and established in the country. The institutions and other stakeholders have been

cooperating for many years in drafting different policy frameworks, also in the area of SME development (since 2002, when the first SME strategy was adopted in the country). Also, due to the involvement in many benchmark assessments over the last two decades and other EU-initiated processes, when it comes to SME policy frameworks, they are always prepared taking into consideration the recommendations provided in these assessments, but also, they are aligned with EU and national priorities and the needs of the SME sector.

When considering ‘Weaknesses’, the main issue that persists for many years is a lack of adequate and sound financial allocations from the state budget, but also from partner organisations and donors to support the implementation of all envisaged activities and measures defined in the action plans. In addition to this, there is a lack of human resources within the institutions to take full responsibility for the implementation of the policies, but also to monitor and evaluate the implementation of the Strategy.

In respect to ‘Opportunities’, there is room to further enhance the cooperation with the international partner organisations and donor community, in respect to SME development and provision of support in implementing the activities planned with the action plan, by setting up regular semi-formal meetings on a quarterly basis, where they will be updated about the need for support in the implementation. Donor coordination is especially needed for the SME sector in the domains of Green Deal, circular economy, entrepreneurship learning, export promotion, start-ups, digitalisation and gender equality. This coordination does not overlap with the official formal coordination happening on different levels within the Government, but it is rather a semi-formal gathering with this community targeting only SME strategy-related actions. It is recommended that the coordination of donor assistance be integrated at the national level in the Sectoral Working Group on Competitiveness and Innovation.

In addition to this, the regular overview and activities for monitoring of implementation of the strategy (and indicators envisaged in the action plan) should be conducted in order to see whether the set measures and priorities contribute in practice to achieving the set objectives and vision of the Strategy.

Finally, the ‘Threats’ section identifies all potential threats and risks that might potentially negatively influence the implementation of the Strategy. They refer to internal factors such as willingness and dedication from the stakeholders to take part in the implementation, but also to external factors such as global crisis and other events that might also influence the implementation of the strategy.

4.3. Assessment of the previous SME Strategy and overview of other international assessments

The preparation of the new SME Strategy is based on the EU SME Policy Framework, which defines the key priorities of the EU with respect to SMEs, on one hand, and priorities and goals defined in the national policy frameworks, on the other hand. In addition, the current needs of SMEs, the primary target group of the strategy, as well as those of other stakeholders, have been taken into account. To create a comprehensive and objective policy document and to avoid repeating past mistakes and challenges, lessons learned, and experiences from implementing the previous SME Strategy have also been incorporated.

In the framework of this project, as one of the preparatory activities that have been implemented prior to initiating the development of the new SME Strategy, was the assessment of the implementation and results achieved of the previous SME Strategy. This assessment includes the benchmark overview of the activities and measures implemented by the national institutions and other SME support organisations during the validity of the previous Strategy vis-à-vis indicators, results and objectives set. This task also involves an overview of the annual action plans and activities defined inside those plans, as well as activities implemented beyond 2020, in the absence of a new action plan covering the second half of the Strategy duration from 2021 to 2023.

In addition, this assessment provides an overview of the capacities of the main institutions to implement such policies in practice. The review includes the comparison of the existing institutional set-up with the envisaged SME support infrastructure that existed in 2018, when the Strategy was initiated. During this period, several initiatives have been ceased, and a new setup has been introduced.

Furthermore, the assessment also elaborates on the donor support and how it was coordinated when it comes to the SME support, as well as monitoring and evaluation tools and reporting mechanisms to oversee the implementation of the strategy.

Based on the assessment conducted, the following conclusions have been derived, which were taken into account during the preparation of this SME Strategy 2025-2030:

- **Preparation of a realistic action plan that contributes to the achievement of the strategic goals.** The SME Strategy should be accompanied by the Action Plan that should provide the list of activities and measures whose implementation should contribute to the achievement of the expected results and objectives. In the absence of an action plan, the institutions are implementing a set of activities and measures that very often are not in line with strategic priorities, and it is very difficult to assess their contribution towards the achievement of goals. In addition to this, the activities and measures defined in the action plans are the basis for enhancing the cooperation with the international and bilateral support organisations, but they also set the framework for further support.
- **Enhanced donor coordination and cooperation.** Apart from having the action plans, the donor coordination should also be formalised in a more practical and inclusive manner. This means that representatives of these organisations should be invited on a regular basis in order to discuss the current ongoing support as well as to explore the opportunities of their involvement in other initiatives and projects that will contribute towards achieving the strategic goals. This will also ensure complementarity of initiatives and not a replication.
- **Functional Monitoring, Evaluation and Reporting (M&E+R) system.** Setting a functional M&E+R system is of crucial importance when it comes to monitoring the progress made and milestones achieved, and evaluating the overall implementation of the Strategy. Due to the lack of resources, such an M&E+R system was missing during the implementation of the previous strategy. So, due to this, the overall assessment and evaluation of the strategy was made based on the level of implementation of the annual programmes of the MoEL, APE and FITD, which does not provide a comprehensive overview of the overall implementation. In addition to this, the monitoring system

should also include an overview, not only activities and measures implemented by the state institutions, but also activities implemented by other parties that support and contribute to further enhancement of the SME sector.

- **Availability of data and their consistency.** The availability and consistency of data are also crucial when it comes to evaluating results and verifying indicators. In order to confirm that some of the key milestones have been achieved and that the indicators have been met, data that can be validated (verified) is necessary. However, not all recommendations regarding data have been implemented (e.g., very limited data is available on women entrepreneurs). Therefore, additional efforts and activities can be undertaken in coordination with other stakeholders, with the aim of improving the content of the data that is stored, as well as enhancing data collection and mechanisms for data accessibility.
- **Increase the number of activities related to raising awareness for entrepreneurship and other entrepreneurial concepts.** Activities that lead to the promotion of entrepreneurship, promotion of young entrepreneurs, actions that celebrate good examples, that promote networking and collaboration among stakeholders at different levels, should be further enhanced and well promoted. Furthermore, this might also include promotion of entrepreneurship in formal education and including entrepreneurship education in Technical and Vocational Education and Training (TVET) and secondary and tertiary education more systematically.
- **Conducting regular assessments of the needs of the entrepreneurs.** The systematic and regular assessments related to the needs of the entrepreneurs are very important for their further enhancement and development. However, in order to achieve efficient delivery of the activities and programmes that are tailored to overcome these needs, regular assessments should be conducted. This also refers to efficient use of budget resources, since those will be allocated to target the current needs of enterprises. From the assessment conducted in the previous period, it can be concluded that such activities were not implemented regularly and they were mostly conducted on an ad hoc basis, funded by the international organisations or different donor-funded projects, and they had either a sectoral approach or they were conducted in line with projects' needs.
- **Support in delivering tailored capacity building programmes that contribute to the 'readiness' of enterprises.** The delivery of specific, tailored-made programmes, especially in the industry-related sectors, was lacking. One of the reasons was that there is a limited number of consultants who can deliver these specific trainings, but also awareness of the companies of the need for such training. In the future, the 'train the trainers' initiatives should be increased in order to equip the consultants with adequate skills in order to match the specific enterprises' needs, but also to raise the awareness among entrepreneurs regarding the importance and benefits of delivering such training programmes vis-à-vis performance of their enterprises in terms of increased productivity, competitiveness and profitability.
- **Access to finance and financial literacy.** One of the areas that was noted by the target groups in conducting the assessment of the previous SME Strategy, was also the limited access to finance for SMEs, lack of flexibility of financial products offered by the banks and other financial institutions, still underdeveloped market for alternative financial resources due to lack infrastructural support and lack of products tailored to the needs of SMEs, etc. On the other hand, the in-house knowledge and financial literacy within

the enterprises are still not at a satisfactory level. Based on this, the new SME Strategy should focus on further development of the financial markets in order to respond to the current SME needs on one hand, but also to increase the knowledge and capacities within the enterprises regarding the financial management and financial literacy in general by organising different trainings and workshops where entrepreneurs and their employees will be introduced with new financial products, their use, when to ask for financial support and how to make best use of it.

Other international country's assessments

North Macedonia 2024 Report prepared by the European Commission ⁵²

The latest progress report published by the European Commission states that the country has achieved between a moderate and a good level of preparedness in the area of enterprise and industrial policy. Also, the Screening Report for *Cluster 3 Competitiveness and Inclusive Growth, Chapter 20 Enterprise and Industrial Policy*, indicates that some progress has been made, but the development of adaptive strategies for dynamic environments and the establishment of a framework for monitoring and evaluation of SME policies with a focus on the impact of financial grants is needed. In addition, it is stressed that a Plan for the Consolidation of Institutional Structures and Mandates of Public Bodies and an Export Promotion Strategy were adopted, and a set of measures was introduced to implement the Strategy for the formalisation of the informal economy. The Commission's recommendations from last year were implemented to a certain extent. In the coming year, North Macedonia should in particular:

- implement the Plan for the Consolidation of Institutional Structures and Mandates of Public Bodies;
- adopt the strategy for the development of SMEs, and boost export readiness and the integration of companies in supply chains by stepping up efforts to implement the export promotion strategy;
- improve the process of consulting enterprises during the preparation of measures and of informing them with sufficient lead time about implementation conditions.

European Innovation Scoreboard⁵³

The European Innovation Scoreboard of the EC (published annually since 2001) provides a comparative assessment of the research and innovation performance of the EU Member States, neighbouring European countries and selected third countries (global competitors). The EIS 2024 is the fourth edition applying the current measurement framework, introduced in 2021, consisting of 32 indicators. The report uses updated data for the period 2017-2024 for all EU

⁵² https://neighbourhood-enlargement.ec.europa.eu/document/download/5f0c9185-ce46-46fc-bf44-82318ab47e88_en?filename=North%20Macedonia%20Report%202024.pdf

⁵³ https://research-and-innovation.ec.europa.eu/statistics/performance-indicators/european-innovation-scoreboard_en

Member States and 12 neighbouring European countries. Most EU Member States have increased their innovation performance since 2017. In performance order, Denmark, Sweden, Finland and the Netherlands are Innovation Leaders with innovation performance well above the EU average (above 125% of the EU average). According to this benchmark assessment, the RNM is an Emerging Innovator with performance at 45.1% of the EU average in 2024, ranked in 34th place.

SME Policy Index: Western Balkans and Turkey 2022⁵⁴

Based on the SBA principles, a specific methodology was developed called the SME Policy Index that assesses the implementation of the SBA. The RNM is participating in the process from the beginning. The report from the assessment is an important tool that helps policymakers to design and implement policies to support SMEs and to boost their competitiveness based on good practices. It provides a comprehensive overview of the implementation status of the SBA principles implemented in each country and compared with the WB average.

The 2022 assessment reveals that the economies of the WB and Turkey have improved their performance in 11 out of 12 policy areas, signalling their continuous dedication to creating an enabling business environment for SMEs.

The RNM has made progress in implementing the SBA since the previous assessment period. The RNM has achieved its highest average scores in the following areas: support services for SMEs; public procurement; access to finance; innovation policy; and internationalisation of SMEs. While in access to finance, innovation policy and internationalisation, the RNM outperforms the regional average; however, the economy still needs to step up its efforts in entrepreneurial learning, women's entrepreneurship and enterprise skills.

For the coming period, the recommendations highlight the need for the following interventions:

- Efforts are needed to boost entrepreneurship as a key competence across all levels of education.
- Urgent action is required to monitor and evaluate the progress, efficacy and impact of actions taken to support women's entrepreneurship;
- The institutional and regulatory framework for SME policy-making has room for improvement.
- Ensure regular and systematic SMEs' training needs analysis;
- Improve information provision and support services for SMEs who seek certification according to national, European or international standards;
- The lack of system-level skills intelligence remains a significant challenge.
- Business-academia collaboration should be promoted with a systematic and targeted approach.

Global Innovation Index 2024⁵⁵

⁵⁴https://www.oecd.org/en/publications/sme-policy-index-western-balkans-and-turkey-2022_b47d15f0-en.html

⁵⁵ https://www.wipo.int/web-publications/global-innovation-index-2024/assets/67729/2000%20Global%20Innovation%20Index%202024_WEB3lite.pdf

The World Intellectual Property Organisation's Global Innovation Index 2024 captures the innovation ecosystem performance of 133 economies and tracks the most recent global innovation trends. In addition, the Report tries to highlight the current state of global innovation, whether innovation is accelerating or slowing down, and how innovation is coping in the face of higher interest rates and geopolitical conflicts. The Global Innovation Tracker 2024 addresses these crucial questions. It takes the pulse of four key stages in the innovation cycle: (1) science and innovation investment; (2) technological progress; (3) technology adoption; and (4) the socioeconomic impact of innovation.

North Macedonia is ranked 58th globally, with the conclusion that its innovation performance is in line with the country's overall level of development. Based on specific indicators of the Global Innovation Index, North Macedonia is ranked as follows: institutions – 75th, human capital and research – 77th, infrastructure – 43rd, market sophistication – 69th, business sophistication – 52nd, knowledge and technology outputs – 53rd, and creative outputs – 72nd.

Western Balkans Competitiveness Outlook 2024: North Macedonia:⁵⁶

The WB Competitiveness Outlook for 2024 is the fourth edition of the Organisation for Economic Co-operation and Development's (OECD) flagship publication that offers an in-depth assessment across 15 policy areas key to bolstering economic competitiveness in the WB.

The report stressed that the RNM has made mixed progress since 2021, advancing in 7 of the 15 policy dimensions, regressing in 5 and stagnating in 3. The economy positions itself amongst regional leaders with the highest score in trade, tax and energy policies. But in contrast, the country is among the lowest performers in the areas of tourism, digital society and transport policy.

The main achievements that have led to increased performance are as follows:

- Streamlined and digitalised processes have contributed to facilitating trade
- Developing alternative financing sources has diversified businesses' financial options
- Increased alignment with EU and international standards has strengthened the competitiveness of the agriculture sector
- Advances in bolstering tourism governance have improved collaboration and data collection
- New policy developments and enhanced financial contributions have improved the science, technology and innovation (STI) landscape

Report recommendations for further competitiveness improvements of the RNM economy are as follows:

- Strengthen the governance of state-owned enterprises to enhance efficiency and performance
- Strengthen the planning and management of transport infrastructure
- Accelerate digitalisation efforts to improve the economy's competitiveness
- Improve investment in the education sector for enhanced skills development

⁵⁶ https://www.oecd.org/content/dam/oecd/en/publications/reports/2024/06/western-balkans-competitiveness-outlook-2024-north-macedonia_4dc5c34c/8207326d-en.pdf

- Intensify efforts to strengthen environmental policies to improve citizens' quality of life and workforce productivity.

B-ready 2024 – country report North Macedonia (World Bank)⁵⁷

Business Ready (B-READY) is a new World Bank Group corporate flagship report that evaluates the business and investment climate worldwide. The B-Ready initiative is part of the World Bank's broader efforts to guide policy reforms and promote a more equitable and sustainable global business environment. It replaces and improves upon the Doing Business project.

For 2024, the RNM has scored highest in Business Entry, Utility Services, and Financial Services. Within these areas, the economy provides unique business identification, transparent information (connection requirements, tariffs, complaint mechanisms) for electricity and enhanced and simplified Customer Due Diligence processes based on client risk. On the other hand, the RNM scores lowest in Taxation, Business Location, and Business Insolvency. Within these areas, the economy does not implement key good practices for clarity of tax regulations, it lacks an electronic system to submit building permit applications, and no digital services are provided for liquidation and reorganisation proceedings.

Global Entrepreneurship Monitor (GEM) (latest data from 2019)⁵⁸

The GEM is a worldwide research initiative that aims to understand and analyse entrepreneurial activity, motivations, and ecosystems across different countries. Established in 1999, the GEM is one of the largest and most comprehensive studies of entrepreneurship globally. GEM analysis for the last time was conducted in 2019 in the RNM. Results from the analysis are presented in the figure below.

Entrepreneurial Framework Conditions

Most recent data: 2019



Figure 12. Main results from the GEM analysis conducted in 2019

⁵⁷ <https://www.worldbank.org/en/businessready/economy/north-macedonia>

⁵⁸ <https://gemconsortium.org/economy-profiles/macedonia>

5. Strategic policy framework

5.1. Vision and Mission of National SME Strategy 2025-2030

VISION

A thriving business ecosystem where SMEs drive competitiveness and innovation, leading the way in achieving full green and digital transformation.

MISSION

SMEs are the cornerstone of our economy; therefore, the mission of the Strategy is to strengthen SMEs by building an inclusive entrepreneurial ecosystem that provides equal access to resources, knowledge, technology, business services, and strategic partnerships, with the aim of increasing their competitiveness through the development of human capacities, facilitation of administrative procedures, encouragement of productivity through digital transformation and operational excellence, and promotion of sustainability through the integration of responsible practices into business and growth strategies, as well as by enabling SMEs to thrive and become catalysts for economic progress and social well-being in the country.

5.2. Priority areas of National SME Strategy 2025-2030

The vision of the National SME strategy 2025-2030 highlights the importance of a supportive ecosystem that empowers SMEs to become agile and future-ready and to excel while aligning economic progress with sustainable and responsible practices.

The strategy is fully in line with the key EU recommendations for strengthening the SME sector, such as: (1) digital and green transition; (2) reducing regulatory burden; (3) access to finance; (4) strengthening competitiveness; and (5) capacity building and innovation within SMEs.

The Strategy consists of 3 (three) main priorities (pillars):

Priority #1: Competitive National Entrepreneurial Ecosystem

A robust entrepreneurial ecosystem fosters innovation, collaboration, and competitiveness by ensuring SMEs have access to resources, mentorship, and market opportunities. Policies promoting ease of business, streamlined regulation, and infrastructure development are crucial to creating an environment where SMEs can thrive nationally and internationally.

Priority #2: Access to Finance

Ensuring diverse and flexible financing options enables SMEs to invest in modernisation and growth, increase productivity and create innovation through new products and services.

Simplifying access to capital and improving financial literacy are key to addressing funding gaps that often limit SME development and scalability.

Priority #3: Green and Digital Transition

Supporting SMEs in their transition to sustainable and digital practices strengthens resilience and aligns with global economic trends. Tailored incentives and training will enable SMEs to adopt energy-efficient technologies, reduce carbon footprints, and leverage digital tools to enhance productivity and market reach.

Priority #1: Competitive National Entrepreneurial Ecosystem

Strategic Objective 1:

To create a resilient, innovative, and inclusive business environment (entrepreneurial ecosystem) that will support innovation development and competitiveness of the SMEs.

By implementing the strategy, an inclusive business environment will be created that ensures equal access to resources and opportunities for diverse SMEs, including those led by women, youth, and underrepresented (marginalised) groups. The priority is to remove barriers related to administrative procedures for company establishment and licensing, internationalisation, education, or financial constraints, thereby promoting broad-based economic participation and social equality.

This strategic objective focuses on fostering a supportive framework that enables SMEs to thrive in a competitive and dynamic global economy. This means equipping SMEs to withstand external shocks such as economic downturns, supply chain disruptions, or technological shifts. The policies should ensure financial stability, enhance risk management, and provide crisis support mechanisms. A resilient entrepreneurial ecosystem safeguards the continuity of SME operations and minimises the impact of unforeseen challenges.

In addition, by providing access to R&D facilities, innovation hubs, and incentives for adopting new technologies, the ecosystem empowers SMEs to develop unique products, services, and processes that enhance their market position and competitiveness.

By enhancing productivity and reducing costs through streamlined regulations, access to markets, and skill development programmes, the ecosystem aims to make SMEs competitive domestically and internationally. Competitiveness is further supported by fostering collaboration between businesses, academia, and policymakers to align strategies with global best practices.

Within this strategic priority, three Specific Objectives have been defined:

Specific Objective 1: Improving the capacities of the national ecosystem to support SMEs by recognising their needs for growth and development in order to optimise support for SMEs (innovation infrastructure and transfer of technology and knowledge)

Specific Objective 2: Simplifying the legal and regulatory framework for SMEs and strengthening cooperation with state institutions (registration, taxes, obtaining licenses, etc.)

Specific Objective 3: Greater promotion of entrepreneurship, entrepreneurial learning, export activities, standardisation, and good innovative practices at both the national and regional levels.

These objectives are further detailed below into specific areas of action:

1.1 Specific area of intervention: SME performance assessment

1.1.1 Measure: Participation in leading international benchmark assessment mechanisms

Evaluating North Macedonia's entrepreneurial ecosystem through global rankings and indicators, which are directly included in the action plan of this strategy, such as the SME Policy Index, EU Innovation Scoreboard, GEM, Competitiveness Outlook for the Western Balkans, and Global Competitiveness Ranking, as well as other rankings that are conducted and in which our country also participates, such as the World Bank's Business Ready, Global Knowledge Index, Global Start-up Ecosystem Ranking (Start-up Genome, Start-up Blink), etc. All these rankings offer critical insights into the country's current position and areas where appropriate improvement is needed. These evaluations provide benchmarks against international standards, helping policymakers identify strengths, weaknesses, and opportunities within the ecosystem, and thereby define best practices that can be used to improve SME policy development. Within this measure, careful monitoring of our country's ranking in key international comparative studies is envisaged, as well as the inclusion of our country in studies in which we do not currently participate. According to the obtained results, appropriate activities will be proposed in each subsequent action plan aimed at improving the areas where we are lagging behind and advancing our country's position on the rankings of these systems for evaluating the business environment, innovation development, and SME support.

1.1.2 Measure: Improving the process of collecting SME-specific information

Enhancing the collection of specific and more disaggregated SME data is crucial for making efficient and effective decisions and policies. These data allow policymakers to address the unique challenges SMEs face while supporting their growth and innovation. Among other information, specific data should be collected for specific sectors and industries, specific types of enterprises, for different regions within the country, gender-disaggregated data, equity ratio, profitability per sector, investment and employment levels, their impact on GDP, etc. During the implementation of the strategy, alignment will be made with the EU regulations on SME data collection, as well as harmonisation with Eurostat practices⁵⁹, which will contribute first to better results in data gathering and consequently in participation in these EU and international benchmarking mechanisms. Also, data collected by the World Bank Enterprise Survey⁶⁰ (which collects firm-level data to identify the main challenges faced by SMEs) can be used in this context in order to support the policy-making process. The action plan foresees amendments to legal and sub-legal acts (according to recommendations for introducing new indicators) and the definition of a formal structure that should be responsible for collecting and exchanging information between institutions.

1.2 Specific area of intervention: SME needs assessments

1.2.1 Measure: Implementation of specific training needs assessments for SMEs, including skills intelligence.

Conducting specific SME assessments of their training needs, workforce shortages, as well as needs for reskilling and upskilling, is of exceptional importance for their further development and increased competitiveness. By conducting these assessments, policymakers will have up-to-date information on the needs of SMEs, based on which policies will be created that are data-driven and collected directly from the target groups. This will contribute to drafting

⁵⁹ Community Innovation Survey is one of the possible approaches to collect right data for better policy making processes. Available at: <https://ec.europa.eu/eurostat/web/microdata/community-innovation-survey>

⁶⁰ <https://www.enterprisesurveys.org/en/data/exploreeconomies/2023/north-macedonia>

tailored programs and measures and creating a more favourable environment for entrepreneurship, through implementing activities to strengthen the internal capacities of enterprises, improve their operational efficiency, and increase the productivity and competitiveness of SMEs. Apart from reviewing other needs, special emphasis should be placed on the assessment of training needs and skills shortage analysis as some of the main indicators on which future support for strengthening internal capacities should be provided. Also, surveys conducted by other organisations should be taken into account when carrying out these assessments (i.e., conducted by different institutions such as economic chambers of commerce, AHK, AmCham, NL-MK chambers of commerce, etc.). Furthermore, it is foreseen that our country will conduct an analysis of skills needs in SMEs according to the skills intelligence methodology developed by CEDEFOP,⁶¹ which is used by the countries of the European Union.

1.3 Specific area of intervention: Efficient and effective support to SMEs and improvement of innovation infrastructure

1.3.1 Measure: Enhancing existing national and regional infrastructure and services to support and develop innovation for SMEs

In order to provide the necessary support to SMEs at the local level, there should be a functional regional network composed of enterprise support organisations and other types of local structures capable of responding to the diverse needs and demands of SMEs. These organisations should be partners with the ministries and the Government, as well as with municipalities, in implementing local and national priorities. The good practice of functional collaboration between APREM and the network of regional enterprise support organisations should be further enhanced with respect to activities related to the voucher system of advisory services, standardised mentoring services, and the implementation of projects such as self-employment and others, which ensure support to SMEs during different phases of their development.

In this context, the capacities of the staff within these regional centres and offices need to be continuously upgraded in order to respond to the needs of SMEs, as well as to implement the planned activities within the adopted policies. These organisations should also play a significant role in promoting various national programs and serve as the main driver for data collection at the national and local levels. Specific programs for strengthening their internal capacities should be supported both by the state budget and by local stakeholders (municipalities, planning regions, large local companies, etc.). Strengthening the entrepreneurial and innovation infrastructure not only increases the growth potential of SMEs but also contributes to broader economic development by fostering a culture of creativity, competitiveness, and resilience within business ecosystems. Within this measure, the establishment of a system for monitoring, evaluation, and reporting is also foreseen, through which the impact of business support services used by SMEs on their performance will be measured.

1.3.2 Measure: Support in establishing new infrastructure to support SMEs

⁶¹ <https://www.cedefop.europa.eu/en>

The RNM would need better physical infrastructure, like technology parks (even though detailed feasibility studies have already been developed), but also open platforms that will support the most innovative companies and university spin-offs (founded on R&D activities) in their development (e.g. innovation districts like in Copenhagen⁶²). Further investments in this infrastructure will contribute to having better start-up support, promotion of innovation, enhancement of technology transfer, creation of collaborative networks with other organisations from the EU, etc. This infrastructure also promotes and strengthens the cooperation among different parties in the quadruple helix environment. In setting up this model, the best practices from other EU countries should be used.

In addition, the RNM should also work on setting up a new industrial parks (i.e. Maribor TEZNO zone⁶³), office centres (i.e. Prague “The Park”⁶⁴) or joint university/industrial/commercial zones (i.e. Science and Technology Park Pilsen⁶⁵), etc. and financially sustainable technology extension centres that will provide access to knowledge and technology for SMEs, and would become sector-based “go-to places” for technology solutions, including digital solutions for companies.

In order to further enhance this type of infrastructure and network, facilities that are owned by the Government or municipalities that are not in use can be adjusted to provide support to start-ups and other enterprises by adapting them and including them in the enterprise support infrastructure.

For the activities within this measure, there are numerous mechanisms that can be utilised from European funds and donor projects.

1.3.3 Measure: Promote new models in business clustering

Emerging trends in which businesses operate today place an emphasis on strategic specialisation, integration of new, disruptive technologies, and the mandatory inclusion of SMEs in innovation ecosystems. Therefore, a new approach to the formation of advanced business models is needed for the successful functioning of clusters. These new approaches and trends influencing cluster formation include the creation of digital clusters and virtual innovation ecosystems. This approach is completely different from traditional geographically or sectorally concentrated clusters. The new approaches focus on cluster association around sustainability and green transition, deep specialisation and micro-specialisation, ecosystems of collaboration and resource sharing, etc. Based on these models, a new foundation for business collaboration and cluster formation should emerge that will add additional value to all businesses joining these new collaborative platforms.

Experience from Sweden (i.e. Science Park Borås⁶⁶) shows that good results can be obtained if Vocational Education Training (VET) schools, universities, adult education institutions, research facilities, service entities for companies and commercial structures are physically located together. The internet allows international digital clustering, but physical products and

⁶² <https://innovationdistrictcopenhagen.dk/>

⁶³ <https://www.investinmaribor.com/en/business-zones>

⁶⁴ <https://thepark.cz/en/location>

⁶⁵ <https://vtppilzen.cz/en/>

⁶⁶ <https://scienceparkboras.se/>

in-person communication and human-product interaction are still necessary, at least in relation to physical goods.

1.4 Specific area of intervention: Better information dissemination towards SMEs

1.4.1 Measure: Development of a one-stop shop business information platform that will publish information for SMEs from multiple areas (information portal)

The National Business Support Portal should serve as a one-stop platform to facilitate business growth, regulatory compliance, and access to funding, education, and networking opportunities. By offering a wide array of information, the portal can become an essential asset to entrepreneurs and small businesses. In this context, this portal should provide different types of information in respect to access to finance and different international and domestic funding mechanisms for SMEs, permits, licenses, export information, explanation of different procedures required by different state institutions, main legal SME related framework, information on non-tariff measures, information on business support organisations and support/services they offer as well as other relevant information required by the SMEs⁶⁷.

In addition to this, a specific platform should also be designed that will provide export-related information for those enterprises that would like to internationalise their activities, such as information on different tariff and non-tariff measures (i.e. UNCTAD's TRAINS database).⁶⁸ Information on quotas, available export support measures, credit guarantee schemes, and other relevant information. This measure is in accordance with the recommendations from the latest assessment conducted within the AMB (2022) regarding the alignment of technical regulations with EU legislation, and the timely provision of information to companies engaged in export activities, especially to countries within the EU.

1.5 Specific area of intervention: Simplification of the legal and regulatory environment and adoption of a new definition of SMEs

1.5.1 Measure: Increasing the use of Regulatory Impact Assessment (RIA) through an improved legal framework for RIA and piloting the "SME Test"

Regulatory impact assessments promote more effective, efficient, and transparent governance, benefiting both institutions and businesses, ensuring laws are well-crafted, sustainable, and aligned with broader policy goals. This practice promotes transparency and accountability in policy implementation, helping to fine-tune laws to better support SMEs. The enhanced use of Regulatory Impact Assessment (RIA) refers to a more advanced and comprehensive approach to evaluating the potential impacts of proposed laws, and it ensures that efficiency and the impact of policies are continuously assessed. This includes conducting a comprehensive and systematic analysis, increasing stakeholder engagement, incorporating alternatives and options, as well as monitoring and evaluation and transparency and accountability.

This also includes the use of the 'SME test' that will analyse the effects of upcoming legislative proposals on SMEs, using the experience from the EU⁶⁹. The SME test assesses the costs and

⁶⁷ There were already similar portals such as www.konkurentnost.mk and www.biznisregulativa.mk that were supported by donors, but the problem is sustainability of the portal after the end of the project funding.

⁶⁸ <https://trainsonline.unctad.org/home>

⁶⁹ https://single-market-economy.ec.europa.eu/smes/sme-strategy-and-sme-friendly-business-conditions/sme-test_en

benefits of policy options for SMEs, promotes the ‘Think Small First’ principle, and contributes to the improvement of the business environment. It identifies the effects that SMEs might experience from the new regulatory framework, organises consultations with SMEs, assesses the impacts on SMEs (cost-benefit analysis), and explores policy options that would reduce the negative effects on SMEs or, if necessary, proposes mitigating measures. Within the action plan, it is envisaged that the Ministry of Public Administration, in cooperation with the Ministry of Economy and Trade, will develop a new RIA methodology (adapting the SME test questions and integrating them into the economic impact section of the RIA Report) and provide technical assistance and training to strengthen the internal capacities of institutions.

1.5.2 Measure: Simplification of administrative procedures for SMEs

Businesses need simplified procedures when dealing with public institutions. This saves their time and financial resources. Although in the past years several initiatives have contributed to reducing and simplifying the administrative procedures, there is still room for further optimisation, i.e. reducing administrative procedures. Simplifying administrative burdens also contributes to reducing the informal economy, along with reducing the administrative costs for the SMEs. The simplification of administrative procedures also requires digitalisation of processes, inter-institutional cooperation and full implementation of one-stop-shop principles (Once only principle)⁷⁰.

1.5.3 Measure: Simplification of the procedure for removing companies from the Central Registry

Revising the procedures for removing companies from the registry can reduce unnecessary bureaucratic hurdles, making it easier for entrepreneurs to navigate the business environment. Simplifying this process can help improve business compliance and reduce exit barriers for failed ventures, ensuring a dynamic entrepreneurial landscape. In order to implement this in practice, it requires better institutional coordination, amending the respective regulations and implementation of capacity building programmes for the staff working at the relevant institutions, but also to other stakeholders, such as entrepreneurs, accountants, etc. It also requires the adoption of the Insolvency Law and reform of the bankruptcy system that will allow for the recovery of firms in distress or a faster exit of insolvent firms based on international best practices.

1.5.4 Measure: Alignment of the regulation regarding the definition of SMEs in accordance with the EU definition

Until now, the Republic of North Macedonia has used a definition of SMEs that does not align with the European Union's definition. Within the framework of the action plan, it is envisaged to amend the regulation and adopt a new definition of SMEs, to be applied at the national level across all legal acts.

1.6 Specific area of intervention: Promotion and support of entrepreneurship

⁷⁰ https://commission.europa.eu/news/once-only-principle-system-breakthrough-eus-digital-single-market-2020-11-05_en

1.6.1 Measure: Awareness-raising activities to promote entrepreneurship and successful entrepreneurs

Awareness-raising activities, such as conferences, events promoting innovative start-up companies and successful SMEs (e.g. Global Entrepreneurship Week, Start-up of the Month and Start-up of the Year Awards, Entrepreneur of the Year, European SME Week, Woman Entrepreneur of the Year, etc.), national business plan competitions, promotion of school enterprises, and similar initiatives, aim to strengthen the entrepreneurial spirit in society, particularly among young people. This leads to the development of an entrepreneurial mindset, encouragement of creative thinking, strengthening of cooperation with the academic sector and the research community, as well as the initiation of the establishment of new start-up companies and the expansion of existing businesses. Additionally, within the framework of this measure, the Self-Employment Project will also be promoted, particularly in rural areas, among vulnerable groups of citizens, potential women entrepreneurs, etc.

1.6.2 Measure: Early Warning

Within the framework of this measure, it is planned to define a methodology and establish an early warning system for identifying potential difficulties in the operations of enterprises, undertaking measures and implementing procedures to overcome future insolvency of debtor SMEs, and timely informing creditors. The early warning system will be based on good practices from already established similar systems in the EU.

1.6.3 Measure: Promoting Second Chance

The principle of a second chance aims to encourage those entrepreneurs who were not successful in their first attempt to make their business a success. The goal is to establish a “second chance” system by strengthening initiatives that support the restarting of business activities. Increased networking among entrepreneurs who have failed but have tried again is key to encouraging entrepreneurs to make a second attempt and to receive another opportunity to start their own business. This system, among other things, should also provide mentoring support from experienced entrepreneurs for those who are reopening their own businesses.

1.7 Specific area of intervention: Interaction with the Government

1.7.1 Measure: Enhancement of SME participation in the public procurement procedures

The participation of the SME sector, especially the participation of the small enterprises, is not at a satisfactory level when it comes to participation in public procurement procedures. One of the reasons for this is the lack of knowledge and public procurement literacy among entrepreneurs. Many entrepreneurs are still considering that participating in the procurement procedures is costly and complex. Furthermore, many potential participants are not encouraged to take part in these procedures because they consider that tenders have already been “granted” to other business operators. All these factors contribute to lower participation, especially of micro and small enterprises in public procurement procedures. In order to enhance their participation, several measures should be implemented that will contribute towards higher participation of these enterprises in public procurement. This includes reducing registration fees for SMEs, free presentations and capacity building programmes for entrepreneurs to

familiarise them with the procedures, as well as enhancing the control mechanisms when drafting simple tender procedures, etc.

Also, during the upcoming period, the use of the e-marketplace system for low-value procurement procedures should be increased by utilising the advantages of the e-marketplace to obtain the best value for money and ensure the efficient use of resources.

1.7.2 Measure: Further expansion of the national services portal offer

Further improvement of the “e-Government” electronic services portal through increasing the number of services available on the portal, as well as upgrading the existing interoperability platform, which will be intended for interinstitutional cooperation⁷¹. In this context, institutions at the national and local levels will be able to create new e-services for entrepreneurs, which will save them time in their interaction with the government. At the same time, a reduction in the costs incurred by SMEs for obtaining various administrative documents is also expected. In this direction, it is necessary to introduce the “Once Only” principle in RNM as well, a concept aimed at ensuring that citizens and businesses provide certain standard information to authorities and administrations only once. By incorporating data protection regulations and obtaining the explicit consent of users, the public administration will be able to reuse and exchange data among different institutions.

1.7.3 Measure: Upgrading e-Services for Licenses and Permits

With this measure, following the mapping of institutions that issue licenses and permits, the process of electronic application for licenses and permits should be simplified, and coordination among the institutions responsible for issuing licenses should be strengthened through the creation of a one-stop-shop system for licenses, which will include electronic signing and submission of documents, as well as electronic issuance of the license.

1.8 Specific area of intervention: Improve the Business Development Services (BDS) for SMEs

1.8.1 Measure: Enhance the system of recognition of certified consultants

The further development of the consultancy market by the delivery of certified programmes by certified consultants should be further enhanced, as well as the introduction of a system of acknowledgement of consultants’ previous experience in the delivery of capacity building programmes. This includes the upgrade of the database of consultants existing at the APREM using international best practices, but also introducing other systematic approaches in recognition and validation of consultants’ expertise on the national level. This should be organised in cooperation with the existing network of consulting associations and chambers of commerce. In addition, already successful practices like mentorship and consulting programmes and voucher schemes for experts’ support should be additionally supported and strengthened in order to support companies’ growth in all phases of their development. It is

⁷¹ According to the Action Plan of the Government of the Republic of North Macedonia’s Reform Agenda (Annex 1, p. 25), the supply of e-services is expected to increase by 50% compared to the current situation by June 2027. These activities are being implemented within the scope of work of the Ministry of Digital Transformation and in cooperation with all relevant stakeholders.

necessary to strengthen cooperation and coordination with the Centre for Adult Education, which accredits the training programs.

This measure will result in the development of a system for the accreditation of consultants in line with the best European practices, as well as in establishing a connection with the European Foundation for Quality Management.

1.8.2 Strengthening the capacities of trainers/consultants delivering capacity-building programs for SMEs

"Train-the-trainer" programs are of great importance when it comes to increasing capacities within enterprises, as they ensure that those responsible for education and capacity building are equipped with appropriate skills, up-to-date knowledge, and methodologies for effective training delivery. When "train-the-trainer" programs are implemented, they should be aligned not only with the needs of SMEs but also with global trends and certification requirements in order to be effective when applied in practice. The training programs should be implemented in partnership with consultant associations, business support organisations, and networks of agencies that support enterprises (among others, the regional centres operating under the umbrella of INOVA). The training may cover advanced topics such as leveraging artificial intelligence in daily operations, process optimisation through the Lean Six Sigma methodology, as well as basic training in human resources, logistics, sales, digital marketing, advanced Excel, or financial management. A systemic approach, where business development services provide support for company growth at all stages of their development, is one of the key activities in this area.

1.8.3 Measure: Internationalisation of SMEs

Establish a strategic framework to provide support to SMEs in implementing internationalisation activities leading to access to regional and global markets by providing guidance, resources, and support for international expansion. This framework should be built on the best practices already implemented in the country and supported by the international organisations and projects. The planning and implementation of these activities should include increased support for participation in international fairs, exhibitions, and conferences. The involvement of chambers of commerce and other sectoral associations is crucial for defining specific activities that will accelerate the process of "entering new markets" and add value through knowledge transfer in planning concrete measures and programs. A special part of this measure will also focus on working with companies on their "internal" preparation for entering international markets (export readiness), training on the application of standards, as well as connecting them with international clusters, platforms, etc.

1.8.4 Measure: Enhance SMEs' participation in the key International Value Chains

Identification and development of support programmes for enhancing the participation in the key international value chains of SMEs that have the capacity to succeed is vital for enabling these businesses to expand into international markets. However, in order to achieve this, the entrepreneurs should have prior knowledge about the entry requirements, but also the capacity

to respond to the international value chains requirements. In this regard, with appropriate technical and expert support, it is necessary to prepare enterprises that have the potential to be part of these international value chains. This includes transfer of technical know-how, certification requirements' preparations, strengthening the internal capacities of enterprises, etc., awareness raising about operations trends, etc. In addition to this, participation in regional value chains should be encouraged, as well as fostering cooperation with foreign direct investors in the country.

1.8.5 Measure: Provision of training to SMEs and potential entrepreneurs

Training on new forms of marketing or sales channels, entrepreneurial skills, finance, the use of artificial intelligence, and other areas will enhance the internal capacities of SMEs and their competitiveness, helping them explore potential markets where they can offer their products and services. These capacity-building programs will strengthen the skills of entrepreneurs and their employees and improve knowledge of new ways to promote and sell products, as well as how to access financing through non-traditional means. All of this should boost creative thinking and contribute to changing the mindset of entrepreneurs in line with new global business trends. A special segment of training will focus on potential entrepreneurs, presenting opportunities to use franchising as a business startup model, the use of artificial intelligence as a tool for starting and developing existing businesses, and more

1.8.6 Support for SMEs in Implementing International Quality Systems and Standards

A common obstacle to entering international markets or securing work as subcontractors for international companies (e.g., foreign investments located in technological-industrial development zones) is the lack of appropriate certifications among SMEs. This measure is aimed precisely at increasing the number of standards held by our SMEs, providing support for standardisation processes (ISO standards – International Organisation for Standardisation, HALAL food standards, etc.) through appropriate co-financing of training and certification processes. Additionally, this measure will support companies regarding the registration of intellectual property rights (patents, trademarks, etc.) at both domestic and international levels.

1.9 Specific area of intervention: Expand Entrepreneurship in Education and Training

1.9.1 Measure: Expand entrepreneurship education programmes and training.

Expanding entrepreneurship education programmes in schools, gymnasiums, and vocational education systems fosters a culture of innovation and entrepreneurial thinking from a young age. Therefore, within this measure, events and promotional campaigns will be organised, support will be provided to young people in realising their business ideas, social entrepreneurship will be promoted, and the capacities of students for green innovations through business management will be strengthened. In addition to activities aimed at youth, this measure will also focus on building the capacities of other target groups within the entrepreneurial ecosystem (teachers/professors, student councils, school management boards, etc.).

1.9.2 Measure: Further development of the programs at the Centre for Adult Education

Strengthening support for the development of programs at the Adult Education Centre for individuals who want to start their own business in various industries. These programs provide future entrepreneurs with practical skills and knowledge for successfully starting and managing their businesses. Such programs are also important for the upskilling and reskilling of the workforce, not only due to competitiveness but also because of the green and digital transition, which will inevitably lead to the closure of certain jobs. In this regard, it is essential to support regional training centres, which in the future could evolve into Centres of Vocational Excellence.⁷².

1.9.3 Measure: Support Non-Governmental Organisations (NGOs) and training providers involved in entrepreneurship education

Supporting NGOs that offer entrepreneurial education as informal education expands access to entrepreneurial learning opportunities. These organisations play a crucial role in reaching diverse populations (marginalised, rural regions, etc.) and providing tailored training that complements formal education systems. In addition, they can be included in independent surveys/analyses about the entrepreneurial ecosystem, promotional activities related to youth entrepreneurship, social entrepreneurship, women entrepreneurship, etc.

1.9.4 Measure: Promotion and Utilisation of Technology Transfer Opportunities

Strengthening technology transfer at universities aims to commercialise the research and development activities of university staff into successful start-up companies. The support for the creation of start-up and spin-off companies enables universities to foster innovation and entrepreneurship, contributing to economic growth and the development of high-tech industries. Strengthening this process ensures that knowledge is transformed into commercial innovations, addresses societal challenges, and contributes to sustainable development. Technology transfer centres/offices should align with the priorities of the Smart Specialisation Strategy - S3 and promote skill development in areas such as commercialisation, intellectual property management, and entrepreneurship, providing opportunities for students and researchers to create start-up and spin-off companies⁷³.

1.10 Specific area of intervention: Support to women's entrepreneurship

1.10.1. Measure: Promotion and Enhancement of Women's Entrepreneurship

Promotion and enhancement of women's entrepreneurship will contribute to increasing economic growth. At the same time, it is necessary to develop a business environment that recognises their specific needs, creating conditions that facilitate women to establish and run businesses. Planned are promotional activities, workshops, and conferences that will further improve the participation of women in the business sector, both as founders and in key managerial positions.

1.10.2 Measure: Development of Women Entrepreneurship Roadmap

Preparation of a policy framework that will define the women entrepreneurship goals and priorities for the future, and will further enhance women entrepreneurship in the country. This

⁷² Regional centres of vocational excellence established by the Government, as well as other centres of vocational excellence founded within various project funding schemes (such as Erasmus+, etc.).

⁷³ This measure is in line with the reform agenda of the Government of the Republic of North Macedonia (Measure 4.1.4 from the Action Plan, Annex 1, p. 42).

roadmap will be used as a basis for drafting detailed measures and programmes for support and development of this target group. Additionally, within this measure, the regional networking of women's business associations and mutual sharing of good practices are planned.

1.11 Specific area of intervention: Support to social entrepreneurship and family business succession (second generation of owners)

1.11.1 Measure: Support to social entrepreneurship

Provision of support to social entrepreneurship is important because it addresses societal challenges while fostering economic development, creating jobs, and promoting social inclusion. By investing in social enterprises, the government can drive innovation in solving critical issues such as poverty, inequality, and environmental sustainability, benefiting communities and the broader economy. Based on this, further support the development of policy and legal framework for better recognition and define measures that will support their operations and activities.

1.11.2 Measure: Support to the second (next) generation of family business owners

Supporting the second generation of family business owners is crucial for the continuity, growth, and success of family-owned enterprises. The second generation may lack the experience or skills to manage the complexities of modern business environments. Targeted training, mentoring, and education programmes to equip them with leadership, innovation, and financial and management skills are needed to steer the business effectively in the future, taking into consideration the current market trends in which these businesses operate.

1.12 Specific area of intervention: Support for the implementation of AI (artificial intelligence) in the operations of SMEs

1.12.1 Measure: Support for the introduction of AI in SMEs

Modern digital technologies and the development of artificial intelligence (AI) represent the new reality in which companies operate. If domestic SMEs want to compete in international markets and increase their competitiveness both locally and globally, adopting artificial intelligence in their daily operations is inevitable. Within the framework of the action plan, piloting of new AI-related tools is planned in about 20 companies.

Strategic Objective 2:

To ensure SMEs have equitable and simplified access to diverse, sustainable, and innovative financing solutions, enabling them to invest in growth, innovation, and competitiveness while fostering resilience in dynamic markets.

This priority aims to expand financing opportunities for SMEs by increasing the availability of alternative financing instruments. Achieving this strategic objective implies, among other things, simplifying application procedures and reducing administrative barriers in order to make financial instruments more accessible to SMEs.

It is necessary to continue activities aimed at aligning the regulations with the framework (recommendations and priorities) of the EU and other international financial institutions, with the goal of expanding the range of financial products available to SMEs, introducing credit guarantee schemes for certain types of enterprises, facilitating bank transfers, and enabling credit card payments to be available for all types of transactions, including international payments. Furthermore, future efforts should focus on enabling access to other financial platforms that operate globally but are currently unavailable in our country, which in some way limits the competitiveness of Macedonian SMEs. Banks should be obligated to credit amounts within 24 hours⁷⁴. It is expected that in the near future, North Macedonia will become a member of the Single Euro Payments Area and apply its regulations.

Promotion of financial literacy, especially among youth, will be one of the main measures among this priority. Also, it is necessary to increase the knowledge related to alternative financing mechanisms among SME owners so that they can optimise their financial decisions.

Facilitating green financing refers to encouraging companies to increase their investments in sustainable practices by offering incentives and dedicated funds for ecological projects from the government and banks.

Additionally, within this priority, it is recommended to utilise digital platforms to connect SMEs with financing opportunities and to improve transparency in financial services.

Besides the general objective, this priority also includes three specific goals, which are subsequently translated into measures and activities:

Specific objective 1: Improving financial literacy among SMEs and young people

Specific objective 2: Enabling greater access to sources of financing (both traditional and alternative) for SMEs (including access to regional and European funds)

Specific objective 3: Increased digitisation of financial instruments and alignment with best practices and regulations of the European Union and other financial markets

⁷⁴ Currently, banks do not allow for such payments – also technically possible – without paper documentation and/or internationally in certain cases, disallowing e.g. digital payments for cross border subscriptions; or are disallowing wire transfers in certain cases.

2.1 Specific area of intervention: Make SMEs more investment-ready

2.1.1 Measure: Increased Utilisation of Alternative Financial Instruments⁷⁵

Implementing a survey on alternative financing methods among SMEs is crucial for understanding their financial needs and challenges, enabling the development of targeted support initiatives. Such research helps identify gaps in access to traditional financing and highlights innovative solutions that can strengthen SME growth and resilience. They also provide valuable insights into new financing trends, such as crowdfunding or peer-to-peer lending, which may better align with the dynamics of SMEs. Several international studies (OECD's SME and Entrepreneurship Financing Database; World Bank Enterprise Surveys; European Commission's SAFE; KPMG Alternative Lending Survey; PwC SME Pulse Reports, etc.) can be used as reference points, as they allow comparison of regional and global trends and facilitate a deeper understanding of effective financing solutions for SMEs.

Within the action plan, the development of at least two new alternative financing instruments for SMEs is planned.

2.1.2 Measure: Investment readiness programme for SMEs

Preparing SMEs for investment is crucial for their growth and sustainability. An Investment Readiness Programme equips businesses with the necessary skills and knowledge to attract investors. This includes enhancing financial literacy, developing robust business plans, and understanding investor expectations. By participating in such programmes, SMEs can present themselves as viable investment opportunities to investors, thereby increasing their attractiveness to potential financiers. This measure will build on already existing good domestic and/or regional practices, mainly funded by donor programmes.

2.1.3 Measure: Strengthening the financial literacy programmes

Financial literacy is a cornerstone for improving access to finance among SMEs. By enhancing their understanding of financial concepts, SMEs can make informed decisions, manage their finances effectively, and engage confidently with financial institutions. Strengthening financial literacy programmes ensures that SMEs are better equipped to navigate the financial landscape and capitalise on available opportunities. This type of program should enable SME owners to understand both traditional and alternative financing methods so that entrepreneurs can make the most appropriate decisions for their future growth and development.

Financial literacy programmes introduced to primary school students have demonstrated positive outcomes during their implementation. These initiatives should be further enhanced and expanded to ensure broader accessibility, providing all students with essential financial knowledge and skills from a young age.

2.2 Specific area of interventions: Promote (alternative) financial products and investment opportunities

⁷⁵ This measure is in line with the Reform Agenda of the Government of the Republic of North Macedonia (section 4.1.3. Promoting the development of SMEs through the adoption and implementation of the new SME strategy, p. 42). ([https://www.mep.gov.mk/data/MK%20RA %20-%20Annex%201_EN.pdf](https://www.mep.gov.mk/data/MK%20RA%20-%20Annex%201_EN.pdf))

2.2.1 Measure: Adoption of additional legal framework for business angels and promotion of alternative financial instruments and mechanisms such as crowdfunding, business angel investments, venture capital, trade credit insurance, etc.

Equity financing opportunities such as crowdfunding, business angel investments, and venture capital play a key role in diversifying financing sources for SMEs. Promoting these financing methods provides SMEs with greater access to capital, reducing their dependence on traditional bank loans. Crowdfunding platforms can enable SMEs to raise funds from a broad base of contributors, while business angels and venture capital provide not only funding but also mentorship and strategic guidance, fostering innovation and growth. This measure aims to strengthen domestic sources of alternative financing and connect them with international sources/platforms. The Law on Business Angels is expected to be adopted during 2025, which should further stimulate alternative sources of financing.

2.2.2 Measure: Analysis of specific financial instruments (e.g., factoring, leasing, forfaiting, etc.)

North Macedonia has established the legal framework for the operation of alternative financial instruments. However, the next steps in advancing their use involve a detailed analysis of good international practices related to various types of specific financial instruments (such as factoring, leasing, forfaiting, etc.), as well as raising awareness of these instruments and creating the necessary infrastructure that will facilitate SME access to such forms of financing. In this context, there is a need to expand the supply of non-recourse factoring products, introduce reverse factoring, and develop e-factoring platforms to support supply chain financing. Initiatives to improve the business environment for factoring include supporting the integration of e-invoicing at the national level, maintaining a national register, establishing an online portal platform, developing a promissory note register, and setting up a collateral registry, among others.

2.2.3 Measure: Facilitating access to loans for SMEs through the use of intangible assets (intellectual property – patents, etc.) as collateral in SME lending

In order to implement this measure, it is necessary to amend the legal framework and certain by-laws to enable the use of intangible assets as collateral in SME lending by financial institutions. In addition to this, promotional activities will need to be carried out through the presentation of good international practices and other positive experiences, with the aim of familiarising domestic companies with the new opportunities for using intangible assets as collateral in SME lending.

2.3 Specific area of intervention: Mobilising EU, National, and Private Financing for SMEs

2.3.1 Measure: Improve access to EU, regional and national SME funding programmes

Connecting domestic small and medium-sized enterprises (SMEs) with regional and EU programmes such as the Single Market Programme, the new Horizon Europe (EIT, EIC), Erasmus+, Life+, the Instrument for Pre-accession Assistance, Interreg, the Connecting Europe

Facility (CEF), and others, improves their access to a wide range of funding opportunities and support networks. These programmes offer financial resources, technical assistance, and networking opportunities that are essential for innovation and expansion. By improving access to these programmes, SMEs can leverage national and EU support to enhance their competitiveness and more effectively integrate into European and global markets. Having skills and intelligence is crucial for identifying the competencies needed to increase the success rate of SME applications for EU-funded programmes. This activity will be complemented by comprehensive training sessions on project proposal writing, partner identification for joint applications, and understanding various funding schemes from the EU and other donors.

2.4 Specific area of intervention: Increase SME IPO readiness (only pre-IPO)

2.4.1 Measure: Building SME capacity for Initial Public Offering to finance development needs through the capital market

Increasing SME preparedness for initial public offerings (IPOs) involves preparing them for the various phases of going public. This ensures that SMEs have established the necessary standards for financial reporting, governance structures, and strategic plans. Pre-IPO readiness focuses on internal company preparation, the IPO phase includes managing the public offering process, and the post-IPO phase ensures ongoing compliance and effectiveness on the public market. Strengthening IPO preparedness can provide SMEs with significant capital for expansion and increased market visibility. Since our country is at the very beginning of IPO development, only pre-IPO activities will be implemented within the timeframe of this strategy, mainly promotion and education of SMEs about the entire IPO process.

2.5 Specific area of intervention: Creating a more conducive and inclusive environment for access to finance

2.5.1 Measure: Create an Online Register of Movable Assets

The online register of movable assets can significantly enhance the ability of SMEs to use these assets as collateral for bank loans. By providing a transparent and accessible platform, the register simplifies the collateral submission process, making it easier for SMEs to secure loans and improve their liquidity. In the first phase, a comprehensive database design is required to collect a catalogue of movable assets, such as machinery, vehicles, inventory, and intellectual property. Additionally, the inclusion of unique identifiers (e.g., serial numbers, descriptions, or photos) for accurate asset tracking will be a priority during the development of this initial phase of the measure.

2.5.2 Measure: Strengthening the existing and establishing a new credit guarantee scheme for start-up companies and other SMEs

Establishing a new or expanding the coverage scope of the current Guarantee Fund within the Development Bank aims to reduce collateral requirements and increase access to these guarantee schemes for other higher-risk enterprises.⁷⁶ Within these credit guarantee schemes, mechanisms will be created to reduce the financial risk for lenders, enabling other companies

⁷⁶ Supplementing with loans from risk category B according to the credit registry of the National Bank, with a maximum guarantee percentage of 35% of the principal amount. It is also possible to register loans from the Development Bank that are disbursed through the participating banks in the guaranteed portfolio of the Guarantee Fund.

to gain easier access to financing. These schemes act as a safety net by guaranteeing a portion of the loan amount, encouraging banks and financial institutions to support new and innovative businesses. By addressing the lack of collateral and the perceived high risk associated with start-ups, such programmes foster entrepreneurship and stimulate economic growth. Additionally, they help bridge the financing gap for start-up companies, particularly those led by underrepresented groups, promoting inclusivity and job creation. The Development Bank should serve as the institution where such schemes can be developed.

2.5.3 Measure: Procurement of Equipment for SMEs in the Processing and Other Priority Sectors Defined in the Smart Specialisation Strategy

In line with the priority areas of the Smart Specialisation Strategy, this measure envisages the establishment of support mechanisms (financing) for the procurement of equipment for SMEs, with the main focus placed on the manufacturing industry.

2.6 Specific area of intervention: Alignment of the Late Payment Directive with the latest EU regulation

2.6.1 Measure: Support to introduce the late payment directive (up to 30 days' payment)

This measure will be in line with the new proposal by the EU regarding the *Regulation on combating late payments*⁷⁷ in commercial transactions. The EU proposal introduces a stricter maximum payment limit of 30 days, eliminates ambiguities and addresses the legal gaps in the current Directive. With the implementation of this regulation, the liquidity of companies will be significantly improved through the timely collection of receivables, which will indirectly contribute to a reduction in bankruptcy proceedings initiated due to a lack of liquidity and the inability to service obligations toward suppliers.

Particular attention should be paid to payments made by the state. Interest rates for non-fulfilment, on the other hand, should be applied automatically. Attention should also be given to delayed salary payments, as well as to delayed VAT refunds by the Public Revenue Office.

⁷⁷ https://single-market-economy.ec.europa.eu/smes/challenges-and-resilience/late-payment_en

Strategic Objective 3:

To support SMEs in adopting sustainable practices and integrating advanced digital technologies, enabling them to enhance competitiveness, reduce environmental impact, and align with global trends toward a greener and more innovative economy.

This objective aligns with broader EU goals of achieving climate neutrality and a digitally driven economy by 2050. Our country commits to undertaking reforms aimed at accelerating the socio-economic convergence of its economy with the European Union by boosting innovation, particularly for SMEs and in support of the green and digital transitions, enhancing the quality of its education system, training, reskilling, and upskilling, and employment policies, as well as promoting the digital transformation as an enabler for sustainable development and inclusive growth.

Within this objective, it is expected that proposed measures will encourage SMEs to adopt sustainable business models and processes, reduce carbon emissions, and transition to a circular economy through incentives and financial support.

Related to digital transformation measures will provide tools, training, and resources to SMEs for integrating technologies such as Artificial Intelligence, Internet of Things, and cloud computing to improve productivity and market access.

Measures are developed in order to make green and digital initiatives inclusive by addressing barriers faced by smaller, rural, or resource-constrained SMEs.

The specific objectives under this priority include:

Specific Objective 1: Establishment of a regulatory framework that will enable greater use of digital tools in communication with the Government, thereby increasing efficiency in issuing documents and submitting requests to institutions.

Specific Objective 2: Raising awareness among entrepreneurs about the introduction of standards that will contribute to a cleaner environment and greater sustainability of their businesses through the application of the circular economy.

Specific Objective 3: Greater application of digital transformation in SMEs by providing institutional support and financial resources for the implementation of concrete measures.

3.1 Specific area of intervention: Regulatory framework for digital transformation

3.1.1 Measure: To improve the regulatory framework that will support digital transformation

Creating a regulatory environment that encourages innovation and adapts to technological advancements is essential for facilitating the seamless transition of SMEs to digital processes. This includes improving existing laws and introducing new regulations that support digital entrepreneurship, e-commerce, data privacy, and cybersecurity. By establishing a favourable regulatory framework, North Macedonia can encourage SMEs to adopt digital technologies, improve operational efficiency, and strengthen their competitiveness in the global market.

As part of this measure, the development of a digital wallet for digital identity is also foreseen, along with the mutual recognition of electronic signatures and electronic means of identification among the Western Balkan countries.

3.2 Specific area of intervention: Digitalisation of the banking sector

3.2.1 Measure: Encouraging SMEs to Use Digital Tools in Their Operations, Especially in the Area of Payments

Digital payment methods are pivotal in modernising the banking sector. They offer SMEs faster, more secure, and cost-effective alternatives to traditional payment systems. By promoting digital payments, the banking sector can enhance financial inclusion, streamline transactions, and reduce the reliance on cash. This transformation is crucial for SMEs to compete effectively in a digital economy.

3.3 Specific area of intervention: Creation of scale-up programmes to support SMEs' digitalisation

3.3.1 Measure: Development of programmes and instruments to increase digitalisation of SMEs

Scale-up programmes are designed to help SMEs accelerate their digital transformation by providing access to resources, mentorship, and technological tools. These programmes can enhance SMEs' digital capabilities, enabling them to integrate advanced technologies into their operations. By participating in scale-up programmes, SMEs can improve productivity, foster innovation, and remain competitive in a rapidly evolving digital landscape. In this respect, support for local providers should be further enhanced in order to be able to develop and promote affordable digitalisation, automation and greening solutions to meet the specific needs of MSMEs and incentives for the financial institutions to develop targeted financial instruments (such as concessional loans with a grant component) for digitalisation and greening of SMEs. Special programs are planned to support the protection of SMEs at various levels (equipment, data, networks, etc.) from hacker attacks and data theft (cybersecurity hygiene), with the aim of significantly strengthening cybersecurity.

North Macedonia should introduce a program to support the digitalisation of SMEs, following the example of Austria (KMU.DIGITAL⁷⁸), Hungary, and other countries from the Western Balkans region. In this program, companies are assessed using a standardised questionnaire and proven solutions are proposed.

3.4 Specific area of intervention: SMEs Transition to a circular economy

3.4.1 Measure: Development of specialised training programmes that support transition to a circular economy

Transitioning SMEs to a circular economy is significant for enhancing sustainability and competitiveness. By adopting circular economy principles, SMEs can minimise waste,

⁷⁸ <https://www.wko.at/foerderungen/kmu.digital>

optimise resource use, and create sustainable business models. This transition not only contributes to environmental conservation but also opens new market opportunities and drives innovation. Embracing circular economy practices can lead to cost savings, improved brand reputation, and increased resilience against resource scarcity and regulatory pressures.

It is necessary to provide funding for engaging circular economy experts for specific industries and to organise workshops with SMEs from those industries to develop internal circular processes (this is largely focused on manufacturing SMEs). When defining priorities (industries) for funding under this measure, the OECD Roadmap towards Circular Economy of North Macedonia, adopted in March 2024, should be followed. Special focus will be placed on the development of circular economy business models, as well as on the procurement of specialised circular economy laboratories to serve the needs of SMEs.

3.4.2 Measure: Support to SMEs for the introduction of energy-efficient systems and equipment that utilise renewable energy sources

This measure foresees providing subsidies for the installation of alternative energy sources for SMEs (photovoltaics, wind turbines, mini-hydropower plants, heat pumps, etc.), as well as training on energy management in industry.

3.4.3 Measure: Support for Companies in the Area of Employee Reskilling and Upskilling for the Needs of the Green Transition

Given that the green transition involves both the closure of certain jobs and the creation of new roles and qualifications required for jobs in the emerging industries driven by the twin transition, this measure foresees support for the development of new training programs related to the sustainable energy sector (for example: photovoltaic installers and maintenance technicians, electric vehicle battery handlers, etc.).

3.4.4 Measure: Support for the Banking Sector in Introducing Financial Products to Promote the Circular Economy and the Digital and Green Transition

The banking sector in the Republic of North Macedonia has recently begun offering “green” loans for companies. The objective of this measure is to strengthen the capacities of employees in the banking sector to introduce financial products that support the circular economy as well as the digital and green transition, through appropriate lending and financial support to SMEs.

3.5 Specific area of intervention: Support for the Development of Green Start-up and Spin-off Companies, and Green Innovative Solutions and Technologies within Existing SMEs

3.5.1 Measure: Development of Green Start-up and Spin-off Companies and Support for SMEs in Green Technological Development

As part of the activities of the INOVA, dedicated calls are planned to support newly established companies (start-ups and spin-offs) and existing SMEs for an easier green transition:

- Co-financing grants and other technical support for green start-up and spin-off companies
- Co-financing grants and other technical assistance for green technological development of SMEs

3.6 Specific area of intervention: Support to companies to comply with environmental and other sustainability standards

3.6.1 Measure: Support programmes for complying with green/digital international standards

Environmental and sustainability standards for SMEs are guidelines and frameworks aimed at helping businesses operate responsibly, reduce their environmental footprint, and align with global sustainability goals. These standards not only help SMEs contribute to environmental preservation but also enhance their competitiveness by attracting environmentally aware consumers, meeting regulatory requirements, and accessing sustainability-focused funding or incentives. Support will be available for the companies for developing or complying with:

- Environmental, Social and Governance (ESG) standards - by focusing on these standards, enterprises can mitigate potential risks, attract investors, reduce costs, and build a positive reputation in society.
- EU Carbon Border Adjustment Mechanism - aligning with global climate goals, meeting market expectations, and remaining competitive in an evolving regulatory landscape focused on sustainability;
- Carbon Footprint Standards (ISO 14064) and GHG Protocol - helps SMEs to measure, manage, and report greenhouse gas emissions to reduce their carbon impact;
- Energy Management standard (ISO 50001) - guides businesses in improving energy efficiency and reducing consumption, etc.

6. Framework for Monitoring, Evaluation and Reporting

Monitoring and evaluation (M&E) of the SME Strategy for North Macedonia is essential to ensure that strategic objectives are effectively implemented and deliver measurable impact. A well-structured M&E system enables continuous tracking of progress, identifies implementation challenges early, and supports evidence-based decision-making. It ensures accountability and transparency among all stakeholders and helps allocate budget and resources more efficiently. By systematically assessing outcomes and performance indicators, M&E strengthens institutional capacity and enhances policy effectiveness. Ultimately, it allows North Macedonia to adapt its SME policies in line with economic trends and evolving needs, fostering a resilient and competitive SME sector.

The monitoring and evaluation (M&E) of the SME Strategy is aligned with the *Methodology for the Preparation, Implementation, Monitoring, Reporting, and Evaluation of Sectoral Strategies*, established by the General Secretariat of the Government of the Republic of North Macedonia. This alignment is essential to ensure consistency with national strategic planning processes and to reinforce institutional coordination.

The Government's reform agenda—especially its strategic commitment to successful negotiations for EU integration—requires strengthening the strategic planning system by establishing a mechanism for harmonising long-term, mid-term, and annual planning as interconnected elements of a unified planning framework. Strategic planning in each policy area forms the basis for defining development pathways, modes of action, and financial allocations, which directly link sectoral strategies with the mid-term and annual Budget planning of the Republic of North Macedonia.

This will be ensured through the implementation of the Action Plan, which includes a three-year planning period for measures and activities, associated financial amounts with identified funding sources, and corresponding indicators at the level of outputs, outcomes, and impact.

This objective aligns with the broader aim of fostering a dynamic, sustainable SME ecosystem by ensuring that resources and efforts are directed toward impactful and measurable outcomes. The main principles that are the cornerstone of the M&E activities are:

- **Continuous Assessment:** Regularly monitor the effectiveness of initiatives and adapt policies based on data-driven insights to address emerging challenges.
- **Stakeholder Engagement:** Involve SMEs, industry representatives, academia, and other stakeholders in the evaluation process to ensure that the strategy remains relevant and effective.
- **Transparent Reporting:** Develop clear metrics and publish findings to demonstrate progress and build trust among stakeholders.
- **Learning and Improvement:** Use evaluation results to refine existing measures, introduce new initiatives, and scale up successful practices.
- **Efficiency and Effectiveness:** Monitor resource use and results to evaluate cost-effectiveness and goal attainment.

6.1. Mechanisms for Implementing the Strategy

6.1.1. Competent Authorities Responsible for Implementation, M&E and Reporting

Establishing a formal coordination body is crucial for effectively implementing SME policies and measures. This working group plays a central role in ensuring that the various elements of the SME strategy are executed efficiently and cohesively.

For the effective organisation of monitoring and evaluation, it is essential to establish a functional system with clearly defined roles and responsibilities. This system will consist of a core operational group responsible for coordinating the implementation of the M&E process. The group will include staff from the Department for Entrepreneurship and Competitiveness of Small and Medium Enterprises (SME) of the Ministry of Economy and Labour, the Prime Minister's Office, and the General Secretariat Office.

In addition to the operational group, the monitoring and evaluation activities will involve members of the strategy development working group, external evaluators, and other relevant stakeholders. A detailed overview of the roles, responsibilities, and M&E process, as well as the requirements for establishing an IT-based monitoring and evaluation system, is provided in a separate document entitled *M&E System and IT Tools*, which is annexed to the Strategy and Action Plan.

The operational working group for the M&E of the SME Strategy will conduct a review of output-level indicators at least on a semi-annual basis. Outcome-level indicators will be monitored in accordance with the timelines defined in the Action Plan. Some indicators will be tracked continuously or on an annual basis, depending on data availability and institutional reporting cycles. However, a portion of the outcome and impact-level indicators is directly linked to the full implementation of the Action Plan and will therefore be monitored over a three-year period. This three-year monitoring cycle will coincide with the implementation of the mid-term evaluation, which is aligned with the duration of the first three-year Action Plan.

At the beginning of 2028, the Strategy will undergo a mid-term evaluation and review by the working group, considering the progress made in its implementation in the previous two years. This process will also include participation from NGOs, the business sector, representatives from academia, workers' unions, etc., through their involvement in the working group.

Stakeholder Group	Members	Key Roles and Responsibilities
Operational Working Group for M&E	<ul style="list-style-type: none">- Dept. for Entrepreneurship and Competitiveness (Ministry of Economy and Labour)- Prime Minister's Office	<ul style="list-style-type: none">- Coordinate daily M&E activities- Track indicators and timelines- Ensure data collection and validation

Stakeholder Group	Members	Key Roles and Responsibilities
	- General Secretariat	- Prepare reports - Manage M&E IT tools
SME Strategy Working Group	- Line ministries and agencies - Local/regional governments - Chambers and business support organisations - Academia, CSOs	- Provide policy guidance - Review M&E findings - Align monitoring with strategic goals - Participate in evaluations
External Evaluators	- Independent consultants or firms	- Conduct mid-term and final evaluations - Validate outcome and impact results - Provide recommendations
Statistical/Data Providers	- State Statistical Office - Sector-specific data holders	- Supply official statistics and data sets - Ensure indicator availability and quality
Private Sector Representatives	- SMEs - Industry associations	- Share feedback on strategy impact - Participate in consultations
Donors/International Partners	- EU, WB, EBRD, etc.	- Align external support with national M&E - Share technical expertise and benchmarks
IT System Providers	- Internal IT departments - External software contractors	- Maintain digital M&E platform - Ensure functionality, access, and data security

Table 13. Stakeholder Roles and Responsibilities in the M&E System of the National SME Strategy 2025-2030.

6.1.2. Procedure and Dynamics of Reporting and Evaluating Achieved Results – Monitoring and Evaluation Framework for the Strategy

The implementation of the Strategy will be carried out in accordance with the Action Plan, which is an integral part of the MSP Strategy. The work plan identifies specific measures that will need to be implemented within the framework of key measures and identifies specific objectives, with a defined timeline, responsible institutions, and required financial resources.

The activities of the Strategy will be executed by the involved institutions as defined in the Action Plan.

The MoEL will prepare Annual Reports on the implementation of the Action Plan and will apply the framework for data collection and monitoring of the Action Plan. These are precisely outlined in Forms 6 and 7 of the Methodology for the preparation, implementation, monitoring, reporting, and evaluation of sectoral strategies, as well as the Guidelines for the structure, content, and methods of preparation, implementation, monitoring, reporting, and evaluation of sectoral and multi-sectoral strategies. The Action Plan covers the period from 2025 to 2027.

The Ministry of Economy and Labour (MoEL), with the support of independent external evaluators, will conduct a mid-term evaluation of the implementation of the Strategy/Action Plan in 2028, including recommendations for potential adjustments. It will be important in the process of evaluation of the results of the implemented Action plans to have an external body/experts responsible for an independent assessment. This can be done at the end of each Action Plan period (mid-term evaluation at the beginning of 2028, for the 2025 – 2027 Period, and at the beginning of 2031, for the 2028 – 2030 period).

In order to have an in-depth analysis of the performance of the enterprises that received governmental/donor support, it will be essential to:

The successful implementation of the SME Strategy for North Macedonia will depend on several key **preconditions**, including institutional, policy, financial, and stakeholder-related factors. Here's a structured overview:

Category	Precondition
Institutional Capacity	<ul style="list-style-type: none"> - Clear institutional responsibilities and coordination mechanisms across ministries and agencies - Operational M&E system with defined KPIs and reporting cycles - Trained staff in M&E, policy implementation, and data management
Policy and Regulatory Framework	<ul style="list-style-type: none"> - Alignment of SME strategy with national development plans, digital, green, and innovation strategies - Supportive legal and regulatory environment for SMEs (e.g. simplified registration, tax incentives)
Stakeholder Engagement	<ul style="list-style-type: none"> - Active involvement of SMEs, business associations, academia, and civil society in policy design and implementation - Functional public-private dialogue mechanisms
Financial Resources	<ul style="list-style-type: none"> - Secured budgetary allocations for strategy implementation - Access to national and international funding (EU, donors, IFIs) - Support instruments for SMEs (grants, credit guarantees, etc.)
Digital Infrastructure & Innovation	<ul style="list-style-type: none"> - Digital public services are accessible to SMEs - Promotion of innovation and digital transformation of SMEs - Adequate IT support for data collection and monitoring

Category	Precondition
Monitoring & Evaluation (M&E)	<ul style="list-style-type: none"> - Established M&E operational group with clear roles - Reliable and timely data from official and sectoral sources - Periodic reviews and external evaluations (e.g. mid-term review) to guide implementation

Table 14 – Key Preconditions of Successful Implementation of the SME Strategy 2025-2030 for the Republic of North Macedonia

6.2. Key indicators and metrics that show the success of implementing the measures and activities of the SME Strategy 2025-2030

To ensure effective implementation and accountability of the National SME strategy 2025 - 2030, it is essential to establish clear, measurable indicators for each of the three priority areas:

- A competitive national entrepreneurial ecosystem,
- Access to finance, and
- Green and digital transition.

Key impact indicators at the level of the three priority areas demonstrate the long-term positive impact on the entrepreneurial ecosystem in North Macedonia.

The following table presents the key indicators at the level of the priority areas and reflects significant positive and transformative shifts that will enhance North Macedonia's competitive position on the global economic stage.

PRIORITY AREAS	INDICATORS

PRIORITY AREA 1 : A competitive national entrepreneurial ecosystem	Improved ranking in relation to the European innovative scoreboard		
	2023.	2027.	2030.
	34	28	26
	Monitoring period:	Mid-term evaluation	Final evaluation
	Inclusion of North Macedonia in the World Competitiveness Ranking conducted by the International Institute for Management Development (IMD)		
	2023.	2027.	2030.
	No data	MK is included in the IMD ranking	Movement up 10 positions compared to the year 2027.
	Monitoring period:	Mid-term evaluation	Final evaluation
	Increased costs for research and development in GDP by SMEs		
	2022.	2027.	2030.
	0,38	0,55	0,80
	Monitoring period:	Mid-term evaluation	Final evaluation
	Increased share of SMEs in exports		
	2024	2027	2030
	5%	5,4%	6%
	Monitoring period:	Mid-term evaluation	Final evaluation
PRIORITY AREA 2 : Access to finance	Net foreign investment inflow (FDI) in millions of euros		
	2023.	2027.	2030.
	616,7	800	1.000
	Monitoring period:	Mid-term evaluation	Final evaluation
	Resources available through VC funds in millions of euros		
	2024.	2027.	2030.
	27	35	50
	Monitoring period:	Mid-term evaluation	Final evaluation
PRIORITY AREA 3 : Green and digital transition	Integration of the growth in digital technology performance (DESI)		
	2023.	2027.	2030.

	4.0	5.3	6,7
	Monitoring period:	Mid-term evaluation	Final evaluation
Share of the value of final goods and services produced in the ICT sector in North Macedonia expressed in monetary units in percentages (% of GDP)			
	2022.	2027.	2030.
	3,5%	5%	6,7%
	Monitoring period:	Mid-term evaluation	Final evaluation

Table 15 - A list of indicators on the Priority Areas Level

The Strategy includes not only impact indicators, but also outcome-level indicators linked to specific objectives, as well as indicators for individual measures and activities. While these indicators provide more detailed information, they may be adjusted during the monitoring and evaluation process. They will be reviewed every three years. For this reason, these indicators are not included in the integral Strategy text but are instead presented in the accompanying Action Plan.

These indicators will facilitate regular tracking of progress, support evidence-based decision-making, and offer early signals for any necessary policy adjustments. Without reliable data and a structured monitoring system at the output, outcome, and impact levels, strategic objectives risk being merely declarative rather than truly transformative.

A serious and systematic approach to monitoring and evaluation is essential to ensure that the Strategy remains dynamic, responsive, and aligned with national development priorities. Only through consistent assessment and adaptation can the intended impacts be achieved and sustained over time.

7. Risk Management

Risk management is crucial in implementing policy documents for several reasons, as it ensures that policies achieve their intended outcomes effectively while minimising potential adverse impacts. By establishing a risk management system (including an early warning system) as an integral part of the monitoring and evaluation framework, it will contribute to the prevention of policy risks and the activation of mitigation measures to overcome potential and ongoing risks. This will increase the effectiveness of policies, support decision-making processes, enable efficient financial resource planning, and ensure the timely implementation of activities and the action plan.

Based on the analyses conducted during the preparation of this SME Strategy, as well as studies, research, and reports from international organisations, NGOs, academia, and other relevant sources, several potential risks have been identified that could impact the successful achievement of the strategy's envisioned outcomes.

These risks emphasise the importance of establishing and implementing proactive mitigation measures to ensure not only the achievement but also the long-term maintenance of strategic goals. In the table below, Table 4, the identified risks are examined, along with their likelihood of occurrence and potential impacts, as well as a comprehensive framework designed for effective management and minimisation of their effects. By leveraging insights from a wide range of stakeholders, the strategy aims to overcome challenges while maintaining a commitment to fostering a resilient and prosperous SME sector.

Table 4. Potential risks identified and measures to mitigate

Risk	Probability of Risk Occurrence	Impact of the Risk on Achieving Objectives	Measures for Risk Mitigation
Insufficient institutional human resources and insufficient capacity for strategy implementation	Medium	Medium	The appointment of relevant representatives from the stakeholders to support the implementation of the strategy is of crucial importance. In some institutions, one person may be sufficient, while in others, several individuals may be involved in the process. On the other hand, their capacities also need to be regularly strengthened in order to meet the required challenges. This includes participation in relevant workshops, conferences, study visits, their involvement in processes of benchmarking, and other related activities.
Insufficient awareness-raising	Medium	Medium	The strategy should be supported by all stakeholders involved in the process,

Risk	Probability of Risk Occurrence	Impact of the Risk on Achieving Objectives	Measures for Risk Mitigation
activities related to the strategy content			from those responsible for implementing it to the final beneficiaries. It is crucial to develop a comprehensive communication strategy that ensures the clear dissemination of reform objectives, benefits, and implementation details to all stakeholders. This can be achieved through targeted outreach campaigns, informational materials, and interactive sessions, such as workshops or webinars, designed to engage and educate the public and relevant stakeholders. Transparent communication channels and regular updates will also play a vital role in building trust and fostering support for the reform.
Lack of necessary financial support to implement the envisaged activities and measures	High	High	Clear identification of costs and their alignment with funding sources can improve financial planning. Regular reviews of the strategy's implementation should also be presented to the Government, along with a financing plan for the upcoming period. Maintaining regular meetings with the donor community and other international partners, as well as presenting future implementation plans, can lead to better coordination and potentially secure additional funding from their resources for the necessary activities. All these efforts can contribute to narrowing the financial gap and potentially securing adequate funds for the implementation of the strategy, its programs, and measures.
Delayed implementation	High	Medium	Delays in implementation can significantly undermine the success and impact of the reform. To address this risk, it is essential to establish clear timelines with measurable milestones and closely monitor progress through robust project management practices. Regular reporting and accountability mechanisms should be put in place to ensure adherence to deadlines.

Risk	Probability of Risk Occurrence	Impact of the Risk on Achieving Objectives	Measures for Risk Mitigation
			Additionally, identifying and addressing potential bottlenecks early on, coupled with contingency planning, can help mitigate delays. Enhancing coordination among stakeholders and ensuring adequate resources are available in a timely manner will further support the efficient and timely execution of the strategy. Finally, keeping stakeholders responsible for their tasks is key to pushing the implementation.
Global crises, shocks and risks	Low	Medium	Global crises such as pandemics, geopolitical conflicts, or natural disasters can severely disrupt the national budget and create the need for budget reallocation, which can affect the implementation of the strategy and its actions. One issue to mitigate these risks is to prioritise the activities that are of crucial importance in order to implement those first, and the rest to be implemented after the crisis passes.
Insufficient strategy for M&E+R	Medium	Medium	<p>The lack of robust systems for monitoring and evaluating the strategy implementation weakens the overall impact. To prevent potential failures, it is important to undertake the following measures:</p> <ul style="list-style-type: none"> • Define specific Key Performance Indicators (KPIs) tied to strategic goals. • Set measurable objectives with timelines and milestones. • Assign ownership and accountability for each KPI or objective. • Appoint a person(s)/department that will regularly monitor the implementation and will prepare reports regarding the progress. This can also be outsourced, which will require additional financial resources, but it will ensure

Risk	Probability of Risk Occurrence	Impact of the Risk on Achieving Objectives	Measures for Risk Mitigation
			<p>transparency and objectivity in the overall process.</p> <ul style="list-style-type: none"> Provide regular training to those responsible for monitoring the implementation process
Internal resistance (reluctance) to change and a lack of institutional employee commitment	Medium	High	<p>Resistance to change and insufficient commitment from employees can hinder the successful implementation of the strategy. To address this, it is essential to foster a culture of openness and inclusivity by actively involving employees in the reform process and ensuring their voices are heard. Providing clear communication about the objectives, benefits, and impact of the reforms can help alleviate concerns and build trust. Offering training programmes to enhance employees' readiness for change, alongside incentives and recognition for their contributions, can further increase engagement and commitment. Leadership must also play an active role in setting an example and demonstrating the importance of the reforms to the organisation's success. Of course, a key condition for all of this is that all job positions be filled with appropriate staff.</p>
Change of the key personnel within the working group or leading institutions	Medium	Low	<p>Staff changes within institutions, including at the MoEL, as well as among other directly involved decision-makers, may lead to delays in the implementation of the strategy.</p> <p>To mitigate this risk, it is important to identify critical roles and develop a succession plan for each position, particularly at the working group level.</p>

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Annexe 1 – Action plan



SME Strategy of the Republic of North Macedonia (2025-2030) Action plan for the implementation of the SME Strategy for the period (2025-2027)

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)											
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem	CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy										
<u>General objective:</u> To create a resilient, innovative, and inclusive business environment (entrepreneurial ecosystem) that will support innovation development and competitiveness of the SMEs.	Effect indicator: Title of the indicator related to the general objective										
	<ul style="list-style-type: none"> Improving the ranking in the European Innovation Scoreboard <table border="1" data-bbox="1055 783 2040 879"> <tr> <td>2023</td><td>2027</td><td>2030</td></tr> <tr> <td>34</td><td>28</td><td>26</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table> 		2023	2027	2030	34	28	26	Monitoring period:	Mid-term evaluation	Final Evaluation
2023	2027	2030									
34	28	26									
Monitoring period:	Mid-term evaluation	Final Evaluation									
	<ul style="list-style-type: none"> Inclusion of North Macedonia in the Global Competitiveness Ranking conducted by the International Institute for Management Development (IMD) <table border="1" data-bbox="1055 1007 2040 1142"> <tr> <td>2023</td><td>2027</td><td>2030</td></tr> <tr> <td>No data for MK</td><td>MK is included in the ranking of IMD</td><td>A shift of 3 positions by the year 2027.</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table> 		2023	2027	2030	No data for MK	MK is included in the ranking of IMD	A shift of 3 positions by the year 2027.	Monitoring period:	Mid-term evaluation	Final Evaluation
2023	2027	2030									
No data for MK	MK is included in the ranking of IMD	A shift of 3 positions by the year 2027.									
Monitoring period:	Mid-term evaluation	Final Evaluation									
	<ul style="list-style-type: none"> Increased R&D expenditure in GDP by SMEs <table border="1" data-bbox="1055 1238 2040 1334"> <tr> <td>2022</td><td>2027</td><td>2030</td></tr> <tr> <td>0.38 %</td><td>0.55 %</td><td>0.80%</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table> 		2022	2027	2030	0.38 %	0.55 %	0.80%	Monitoring period:	Mid-term evaluation	Final Evaluation
2022	2027	2030									
0.38 %	0.55 %	0.80%									
Monitoring period:	Mid-term evaluation	Final Evaluation									
	<ul style="list-style-type: none"> Increased share of SMEs in exports from 5% to 6% in 2030 compared to 2024 										

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)																																							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem		CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy																																					
		<table><tr><td>2024</td><td>2027</td><td>2030</td></tr><tr><td>5%</td><td>5.5%</td><td>6%</td></tr><tr><td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr></table>		2024	2027	2030	5%	5.5%	6%	Monitoring period:	Mid-term evaluation	Final Evaluation																											
2024	2027	2030																																					
5%	5.5%	6%																																					
Monitoring period:	Mid-term evaluation	Final Evaluation																																					
<p>Specific objective 1: Improving the capacities of the national ecosystem to support SMEs by recognising their needs for growth and development in order to optimise support for SMEs (innovation infrastructure and transfer of technology and knowledge)</p> <p>Specific objective 2: Simplifying the legal and regulatory framework for SMEs and strengthening cooperation with state institutions (registration, taxes, obtaining licenses, etc.)</p> <p>Specific objective 3: Greater promotion of entrepreneurship, entrepreneurial learning, export activities, standardisation and good innovative practices, both at national and regional levels.</p>		<p>Outcome indicator: Name of the indicator related to the special purpose</p> <p>1.1. Number of supported capital projects in scientific-research infrastructure</p> <table><tr><td>2023</td><td>2027</td><td>2030</td></tr><tr><td>0</td><td>1</td><td>3</td></tr><tr><td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr></table> <p>1.2. Number of supported SMEs and start-ups through different measures</p> <table><tr><td>2024</td><td>2027</td><td>2030</td></tr><tr><td>0</td><td>800</td><td>1500</td></tr><tr><td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr></table> <p>1.3. Number of supported business support institutions</p> <table><tr><td>2024</td><td>2027</td><td>2030</td></tr><tr><td>20</td><td>60</td><td>120</td></tr><tr><td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr></table> <p>2.1. SME Policy Index (according to OECD) – overall score in Dimension 3: Institutional and Regulatory Framework for SME Policy Making</p> <table><tr><td>2024</td><td>2027</td><td>2030</td></tr><tr><td>4.0</td><td>4.3</td><td>4.5</td></tr><tr><td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr></table>		2023	2027	2030	0	1	3	Monitoring period:	Mid-term evaluation	Final Evaluation	2024	2027	2030	0	800	1500	Monitoring period:	Mid-term evaluation	Final Evaluation	2024	2027	2030	20	60	120	Monitoring period:	Mid-term evaluation	Final Evaluation	2024	2027	2030	4.0	4.3	4.5	Monitoring period:	Mid-term evaluation	Final Evaluation
2023	2027	2030																																					
0	1	3																																					
Monitoring period:	Mid-term evaluation	Final Evaluation																																					
2024	2027	2030																																					
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Monitoring period:	Mid-term evaluation	Final Evaluation																																					

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
			3.1. Number of trained employees in SMEs, employees in business support organisations and consultants to strengthen business competitiveness				
			2024		2027		2030
			0		150		300
			Monitoring period:		Mid-term evaluation		Final Evaluation
			3.2. Growth in the number of newly established SMEs (2% growth rate per period)				
			2023		2027		2030
			1290		1,556		1,867
			Monitoring period:		Mid-term evaluation		Final Evaluation
			3.3. Increased value added by SMEs in total value added				
			2021		2027		2030
			65.7%		67.0%		68.3%
			Monitoring period:		Mid-term evaluation		Final Evaluation
1.							
Measures	Activity	Leading institution Institutions involved	Start date (quarter)	Planned execution date (quarter)	Appraisal of funds required	Funding source	Output indicator (related to measure/activity)
1.1 Specific area of intervention: SME performance assessment							
1.1.1 Participation in leading international benchmark	1. SME Policy Index (Small Business Act Implementation Mechanism)	Leading institution - MoEL	2025	2026	0 MKD	EU, OERs, ETF, EBRD	RNM is part of the assessment and in each new report progresses compared to the

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
assessment mechanisms							indicators from the previous year in all dimensions
	2. European Innovation Scoreboard	Leading institution- MoEL, Institutions involved - MoES and SSO	2025, 2026, 2027	2025, 2026, 2027	0 MKD	EU	North Macedonia is part of the assessment and demonstrates progress in each new report compared to the indicators from the previous year. In 2027, North Macedonia's position is three places higher than it was in 2024.
	3. GEM	Leading institutions - MoEL, INOVA, Institutions involved – Universities	2026	2026	MKD 3,000,000	State budget and other partners	RNM is part of the GEM assessment The 2027 results are over 5% better compared to the last ranking in 2018.
	4. Competitiveness Outlook for the Western Balkans and North Macedonia	Leading institution- MoEL, Institutions involved - General Secretariat	2026	2027	0 MKD	EU	North Macedonia is part of the assessment and demonstrates progress in each new report compared to the indicators from the previous year.
	5. Participation in the global ranking in terms of competitiveness	Leading institution - MoEL Institutions involved – INOVA	2026	2027	MKD 2,000,000	State budget and other partners	Once more, RNM is part of the assessment Analysis conducted

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)

PRIORITY AREA 1:			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY:				
Competitive National Entrepreneurial Ecosystem			Strategic Area: Sustainable, innovative and competitive economy				
1.1.2 Improving the process of collecting SME-specific information	1. Preparation of a gap analysis regarding the data currently collected by institutions and the data that should be additionally collected in the future, which will contribute to the development of more appropriate policies and alignment with Eurostat practices (with reference to the recommendations from the Small Business Act, e.g. data on SME owners to be disaggregated by gender and age). * Prior to this, in 2025, it is necessary to establish a working group responsible for defining the framework for data collection methods and the levels of information within each institution.	Leading institutions - MoEL, SSO, CR Institutions involved - other relevant institutions	2026	2027	MKD 1,200,000	State institutions and other partners	Analysis conducted Defining new indicators, Defined recommendations on how to collect them Creation of formal structure and procedures for coordination and collection of data required for policy making, monitoring, and evaluation (assessment)
	2. Amendment of laws and bylaws (in accordance with the recommendations for the introduction of new indicators) and definition of a formal structure that should be responsible for collecting and exchanging information	Leading institutions - SSO, CR Institutions involved - other relevant institutions	2026	2027	0 MKD	Activities within competent institutions	Adopted new laws and bylaws regulating which data should be collected by competent institutions Modification of the databases of competent institutions

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
	3. Introduction of gender-disaggregated data in the SME register in CR	Leading institution - CR Institutions involved - MoEL and NBRM	2025	2025	0 MKD	No budget required	Amendment of the Law on the one-stop-shop system and introduction of the gender of the owner and manager of SMEs as a category at registration
	4. Preparation of annual SME Report	Leading institution – INOVA	2025, 2026, 2027	2025, 2026, 2027	MKD 360,000 (for 2025), MKD 500,000 (for 2026) MKD 500.000 (for 2027)	INOVA	A methodology for the collection and processing of primary and secondary data has been developed, along with capacity building of the staff at the INOVA for its implementation. Conducting a study of 200 SMEs (for 2026 and 2027) Annual reports on the state of SMEs are prepared in accordance with the developed methodology and the EU framework for SME policies
1.2 Specific area of intervention: SME Needs Assessment							
1.2.1 Implementation of specific training needs assessments for SMEs, including skills intelligence	1. Conducting an analysis to establish a skills intelligence system, including defining the requirements for its full functionality and piloting the system	Leading institutions - INOVA, ESA, Institutions involved - MoDT, MoEL, MES and chambers of commerce	2026	2027	MKD 3,000,000	State budget and other partners	Conducting an analysis with a defined methodology for data collection and processing, as well as capacity building of the relevant institutions responsible for implementing the programme. The research will cover a sample of 500 enterprises.

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
	2. Conducting a general study for the needs of SMEs	Leading institution - INOVA Institutions involved - MoDT, MoEL, MoES and chambers of commerce	2026	2027	MKD 1,000,000	State budget and other partners	Preparation of research methodology Preparation of an analysis according to the research (with recommendations)
	3. Conducting in-depth sectoral research on training needs among SMEs (4 sectoral studies in line with the priorities of the Smart Specialisation Strategy).	Leading institutions - INOVA, MoDT Institutions involved - SSO and chambers of commerce	2026, 2027	2026, 2027	MKD 2,000,000 (MKD 500.000 after analysis)	State budget and other partners	Preparation of methodology and implementation of 4 studies Preparation of an analysis according to the research (with recommendations)
1.3 Specific area of intervention: Efficient and effective support to SMEs and improvement of innovation infrastructure							
1.3.1 Enhancing existing national and regional infrastructure and services to support and develop innovation for SMEs	1. Raising the capacities of employees to network and involve institutions/organisations in projects and activities funded by EU funds	Leading institution – INOVA and ZELS Institutions involved ODP, ZLS, and Chambers of Commerce	2025, 2026, 2027	2025, 2026, 2027	MKD 6,000,000 (MKD 2,000,000 per year)	State budget and other partners	Completed 6 trainings 10 New partnerships concluded 20 applications ready
	2. Implementation of the advisory services voucher system and its update according to the needs of SMEs	Leading institution - INOVA	2025, 2026, 2027	2025, 2026, 2027	2025 (MKD 1,500,000) 2026-2027 - 6,000,000 (MKD	State budget	Analysis to revise voucher issuance conditions/criteria Update of voucher system software 300 vouchers issued 250 companies supported

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
					3,000,000 per year)		Annual Support Impact Reports produced
	3. Providing mentoring sessions for existing and start-up companies	Leading institution - INOVA	2025, 2026, 2027	2025, 2026, 2027	2025 (MKD 3,200,000) 2026-2027 MKD 12,000,000 (MKD 6,000,000 per year)	State budget	300 SMEs mentored 10 new mentors trained Mentored Companies Success Rate Report
	4. Provision of mentoring sessions for start-up companies (as part of the ESA self-employment program and INOVA programs)	Leading institutions - INOVA, ESA, Institutions involved – ODP	2025, 2026, 2027	2025, 2026 and 2027	2025 (MKD 4,000,000) 2026-2027 - 20,000,000 (MKD 10,000,000 per year)	State budget	Number of mentored start-up companies (100 in 2025 and 250 in 2026 and 2027) Mentored Start-Ups Success Rate Report (Compared to Non-Mentored Start-Ups)
	5. Support for the implementation of projects for the promotion of entrepreneurship (implemented through ODP, NGOs, foundations, associations, etc.)	Leading institutions - MoEL and INOVA, Institutions involved - NGOs and Universities	2025, 2026, 2027	2025, 2026, 2027	30,000,000 (MKD 10,000,000 per year)	State budget and other partners	50 different projects implemented Analysis of the effects of project implementation (in 2026 and 2027 for previous years (only for state institutions)
	6. Implementation and revision of the Infopult project for informing and advising SMEs	Leading institution - INOVA	2025, 2026, 2027	2025, 2026, 2027	MKD 1,350,000 (MKD 450,000 per year)	State budget	Number of 2,000 advised/informed companies
	7. Establishment of an M&E system to measure the impact on SME performance	Leading institution - INOVA	2025	2027	MKD 2,000,000	World Bank (EuroCOMP Lab project)	Defined an interdepartmental structure for M&E Developed tools for M&E of INOVA activities

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
	of business support services used by SMEs						
	8. Strengthening cooperation between the private sector and academia through the implementation of joint projects	Leading institution - INOVA Institutions involved - chambers of commerce, EDIH universities	2026	2027	MKD 60,000,000 (30,000,000 per year)	State budget and other partners	8 projects implemented 60 SMEs supported
	9. Training for business support organisations to implement CEFTA rules in line with good EU practices	Leading institution - MFA Institutions involved – INOVA, chambers of commerce	2025, 2026, 2027	2025, 2026 and 2027	2,100,000 (700,000 per year)	EU, WB6 CIF, RESPA	Completed 6 trainings
	10. Procurement of laboratories and their accreditation for SMEs from manufacturing industry	Leading institutions - MoEL, INOVA Institutions involved the MoES	2025, 2026, 2027	2025, 2026, 2027	MKD 12,000,000 (4,000,000 per year)	State budget and other partners	6 laboratories procured 6 laboratories accredited
1.3.2 Support in establishing new infrastructure to support SMEs	1. Implemented preparatory activities for the opening of a technology park (such as preparation of a business plan and strategy, preparation of a feasibility	Leading institutions, MoDT and MoES, Institutions involved -	2026	2027	MKD 9,000,000	State budget and other partners	Updated version of the feasibility study for the science and technology park Preparation of new studies on the opening/formation of accelerators, hubs, innovation zones, etc.

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
	study, and extraction of building permits)	MoEL, INOVA and Universities					
	2. Opening of accelerators/incubators/centres of excellence * Adaptation of old state-owned facilities to be put into operation when creating new infrastructure to support SMEs	Leading institutions MES and INOVA Institutions involved - MoEL, MoDT and Universities	2026	2027	MKD 30,000,000	State budget and other partners	Three accelerators/incubators/centres of excellence opened. (Some of these centres are also expected to be opened within the Regional Vocational Education and Training Centres)
1.3.3 Promoting new models for business clusters	1. Cluster activity mapping	Leading institution - INOVA Institutions involved – MET, chambers of commerce	2026	2026	MKD 800,000	State budget and other partners	Preparation for analysis/report on the situation with clusters in RNM
	2. Establishment of a new industrial (virtual) cluster for companies from the same industry (in high-tech industries/sectors)	Leading institutions – MET and ASIPI Institutions involved – chambers of commerce	2026	2027	MKD 2,000,000	State budget and other partners	1 new virtual cluster formed
	3. Support for existing and establishment of a new association/cluster according to the interests of companies for better promotion of their	Leading institution - ASIPI Institutions involved –	2026	2027	MKD 6,000,000	State budget and other partners	A new association/cluster has been established.

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
	products/services in foreign markets	chambers of commerce					
1.4 Specific area of intervention: Better information dissemination towards SMEs							
1.4.1 Development of One-Stop-Shop business information platform that will publish information for SMEs from multiple areas (information portal)	1. Development/upgrade, and maintenance of an information platform to inform SMEs, providing content and information related to national legislation, access to finance, grant opportunities and project participation, certification requirements, business support organisations, starting a business, and more	Leading institution - INOVA, Institutions involved - MoEL, MoDT, chambers of commerce and other associations	2026	2027	2025 (MKD 1,500,000) 2026-2027 – MKD 1,600,000 (MKD 800,000 per year)	State budget	Completed analysis of the platform's functionalities and user interface Developed an IT solution (platform)
1.5 Specific area of intervention: Simplification of the legal and regulatory environment and adoption of a new definition of SMEs							
1.5.1 Increasing the use of Regulatory Impact Assessment (RIA) through an improved legal framework for RIA and piloting the “SME Test”	1. Development of a new methodology for the SME Regulatory Impact Assessment (RIA) (including adaptation of the SME test questions and their integration into the economic impact section of the RIA report), alongside provision of technical	Leading institution - MPA Institutions involved - MoEL	2025	2026	MKD 0	Budget is not needed	Adoption of a new Regulatory Impact Assessment (RIA) methodology Organisation of 5 training sessions for the application of the new methodology 50 employees from relevant institutions were trained

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
	assistance and training to strengthen internal capacities of institutions.						
	2. Preparation of an analysis of best practices in implementing the SME test within the EU	Leading institution - MoEL Institutions involved - MPA	2026	2026	MKD 2,000,000	State budget and partners	Analysis conducted
1.5.2 Simplification of administrative procedures for SMEs	1. Establishment of a digital registry to publish information on mandatory fees for public services related to the business sector.	Leading institution MoDT Institutions involved – MF and MoEL	2025	2027	MKD 0	Budget is not needed	A digital registry for mandatory fees related to public services in the business sector has been established.
	2. Definition of methodology for all new non-tax and parafiscal fees	Leading institution - MF	2025	2026	MKD 0	Budget is not needed	Adoption of a methodology for the introduction of new non-tax and parafiscal fees
	3. Mapping of 100 administrative procedures related to SMEs, with the goal of reducing by half the number of steps, the duration, and the required documentation for 50% of those procedures	Leading institution - MoEL	2025	2026	MKD 0	Budget is not needed	Reduction by 50% of the steps, duration, and required documentation for 50 of the mapped administrative procedures related to SMEs
1.5.3 Simplification of the procedure for	1. Amendment of the legal and sublegal framework to simplify the procedure and	Leading institution - CR	2026	2027	MKD 0	Budget is not needed	Adoption of a new legal and sublegal framework

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
removing companies from the Central Registry	reduce the time required for deregistration of companies from the Central Register that have been inactive for more than three years.						Shortened procedure for deletion of companies from the Central Register
1.5.4 Alignment of the regulation regarding the definition of SMEs in accordance with the EU definition	1. Amendment of the regulation and adoption of a new definition of SMEs to be used at the national level in all legal acts	Leading institution - MoEL	2026	2026	MKD 0	Budget is not needed	A new regulation was adopted, incorporating a new definition of SMEs
1.6 Specific area of intervention: Promotion and support of entrepreneurship							
1.6.1 Awareness-raising activities to promote entrepreneurship and successful entrepreneurs	1. Training for unemployed individuals – entrepreneurial skills within the Self-Employment project	Leading institution - INOVA	2025, 2026, 2027	2025, 2026, 2027	MKD 15.600.000 (5.200.000 per year)	State budget	6,000 unemployed individuals trained
	2. Organising promotional events and conferences to support entrepreneurship and successful entrepreneurs	Leading institution - INOVA, Institutions involved - MoEL, chambers of commerce, NGOs, universities and business associations	2026, 2027	2026, 2027	MKD 6,000,000 (3,000,000 per year)	State budget and other partners	Organised 6 promotional events per year (of which 3 at the local level) Attendance of 500 participants

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)

PRIORITY AREA 1:			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY:				
Competitive National Entrepreneurial Ecosystem			Strategic Area: Sustainable, innovative and competitive economy				
1.6.2 Early Warning	1. Defining a methodology and establishing an early warning system for recognising possible difficulties in the operation of enterprises, taking measures, implementing a procedure to overcome future insolvency of SME debtors, and timely informing creditors	Leading institution – MF and PRO Institutions involved - MoEL	2025	2027	MKD 0	Budget is not needed	Early warning system established
1.6.3 Promoting Second Chance	1. Creating a database of entrepreneurs who failed in their first attempt to become successful entrepreneurs	Leading institution - CR	2026	2026	MKD 0		Created a database of entrepreneurs who failed on their first attempt
	2. Creating a brochure to promote a second chance	Leading institution – INOVA	2026	2026	MKD 1,500,000	State budget and other partners	Developed a brochure to promote the concept of a second chance
	3. Conducting training and advisory lectures on running a business for entrepreneurs who failed in their first attempt and who want to open their own business again	Leading institution - INOVA	2026	2027	MKD 1,000,000	State budget and other partners	Organised 2 training sessions Participation of 40 attendees interested in starting a business again
	4. Providing business mentoring support for entrepreneurs who are reopening their businesses	Leading institution - INOVA	2026, 2027	2026, 2027	MKD 1,000,000 (500,000 per year)	State budget and other partners	30 individuals received mentoring

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
	5. Support in organising presentations that share examples and practices that contributed to a failed business	Leading institution - INOVA Institutions involved - MF and MoEL	2026, 2027	2026, 2027	MKD 1,200,000 (600.000 per year)	State budget and other partners	Organised 2 events Attendance of 50 participants
1.7 Specific area of intervention: Interaction with the Government							
1.7.1 Enhancement of SME participation in the public procurement procedures	1. Introduction of criteria emphasising the importance of environmental protection in public procurement contracts.	Leading institutions - MF, PPB Institutions involved – MoEPP, MoEL	2026	2027	MKD 0		Defined and adopted criteria for the selection of bidders related to environmental protection.
1.7.2 Further expansion of the national services portal offer	1. Preparation of an analysis on the digital service needs of SMEs.	Leading institution – MoDT	2025	2026	MKD 0		Analysis prepared on the e-service needs of SMEs
	2. Expanding the e-services portal with additional services for SMEs	Leading institution - MoDT	2025, 2026, 2027	2025, 2026, 2027	MKD 0		Introduction of 30 new services on the e-Services portal
	3. Increased use of e-signature at the national	Leading institution - MoDT	2025	2027	MKD 0		Increased use of e-signature by 30%

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
	level and recognition at the regional level						
	4. Reduction of costs for SMEs related to the issuance of e-signature certificates	Leading institution - MoDT	2027	2027	MKD 0		Reduction of costs by 20%
	5. Campaign to raise awareness about the benefits of using e-invoices	Leading institution MF and PRO	2026, 2027	2026, 2027	MKD 2,000,000 (1,000,000 per year)	State budget	3 campaigns organised
1.7.3 Upgrading e-Services for Licenses and Permits	1. Mapping of institutions that issue licenses/permits	Leading institution – MoEL and MoDT, Institutions involved – CR	2025, 2026, 2027	2025, 2026, 2027	MKD 0		Analysis prepared on the type and institution issuing the permit/license
	2. Development of e-services for licenses/permits	Leading institution - MoDT, Institutions involved - CR, MoEL and MF	2026	2027	MKD 6,000,000	State budget and other partners	Introduction of 30 e-services for permits/licenses
1.8 Specific area of intervention: Improve the Business Development Services (BDS) for SMEs							
1.8.1 Enhance the system of recognition of certified consultants	1. Establishment of a national-level consultant accreditation system	Leading institution - INOVA and Institutions involved -	2026	2027	MKD 3,000,000	State budget and other partners	Established a consultant accreditation system in accordance with international best practices

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
		Institute of Accreditation					
	2. Membership in the European Foundation for Quality Management (EFQM)	Leading institution - INOVA	2026	2027	6. 3,000,000	State budget and other partners	The Republic of North Macedonia (RNM) is a member of EFQM.
	3. Updated database of consultants with revised criteria according to international best practices	Leading institution - INOVA	2026	2027	MKD 0		Revised database of consultants
1.8.2 Strengthening the capacities of trainers/consultants delivering capacity-building programs for SMEs	1. Organising training sessions for consultants based on the requirements and needs analysis of SMEs	Leading institution - INOVA	2026, 2027	2026, 2027	MKD 2,000,000 (1,000,000 per year)	State budget and other partners	Organisation of 6 training sessions Attendance of 60 consultants
	2. Organising training sessions for consultants on preparing applications for EU and other international organisation projects, which are suitable for SMEs to apply for.	Leading institution - INOVA	2026, 2027	2027	MKD 1,400,000 (700,000 per year)	State budget and other partners	Organised 3 training sessions for consultants Attendance of 30 consultants
	3. Creation of an Export Club consisting of experts from various industries who will guide enterprises wishing to engage in regional and EU supply chains.	Leading institution – INOVA	2026	2026	MKD 0	WB6 CIF	Creation of an Export Club

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
1.8.2 Internationalisation of SMEs	1. Conducting a mapping of companies to identify their export potential	Leading institution – ASIPI, INOVA Institutions involved - Chambers of commerce	2026	2026	MKD 1,800,000	ASIPI	Visited 100 companies Mapped 30 companies with export potential
	2. Organising training sessions on identifying new markets and clients	Leading institutions – ASIPI, INOVA Institutions involved – Chambers of commerce	2026, 2027	2026, 2027	1,400,000 (700,000 per year)	ASIPI, INOVA	Organised 4 training sessions on internationalisation Attendance of 70 companies
	3. Technical support for preparing companies to enter new markets	Leading institution – INOVA	2026, 2027	2026, 2027	MKD 1,600,000 (800,000 per year)	INOVA	20 SMEs supported in entering international markets
	4. Participation in international fairs	Leading institution - ASIPI, Institutions involved – MoEL, Chambers of commerce	2025, 2026, 2027	2025, 2026, 2027	MKD 3,000,000 (1,000,000 per year)	State budget and other partners	Participation of 100 SMEs in international trade fairs.
	5. Support for the development of promotional and marketing activities.	Leading institutions - ASIPI and INOVA	2026, 2027	2026, 2027	MKD 3,000,000 (1,500,000 per year)	State budget and other partners	Three different promotional and marketing designs were developed for domestic companies. Printing and procurement of materials for 1,000 sets.

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
	6. Implementation of standards, certifications, and other documentation required for the internationalisation of enterprises from the processing industry and other priority sectors defined in the Smart Specialisation Strategy.	Leading institutions - ASIPI and INOVA Institutions involved the MoEL and ASIPI	2025, 2026, 2027	2025, 2026, 2027	MKD 3,000,000 (1,000,000 per year)	State budget and other partners	Supported 20 SMEs from the processing industry and other priority sectors defined in the Smart Specialisation Strategy in the implementation of standards and certifications required for entering international markets.
	7. Conducting a market access study for specific foreign markets.	Leading institution - ASIPI and MFAFT	2026, 2027	2026, 2027	MKD 2,000,000 (1,000,000 per year)	Remaining partners	10 to 15 research studies were conducted on access to specific foreign markets
1.8.4 Enhance SMEs' participation in the key International Value Chains	1. Defining supply development programs (supply chain development programs).	Leading institution - MFAFT, Institutions involved - MoEL, DTIDZ, INOVA and universities	2025	2027	MKD 0	Remaining partners	At least three development programs for SME supply chains have been defined.
	2. Implementation of pilot programs for supply development. * Development and implementation of support programs for companies to integrate into global value chains within the priority areas of S3	Leading institutions - MFAFT, DTIDZ, Institutions involved - INOVA, ASIPI, MoES and universities	2026, 2027	2026, 2027	MKD 4,000,000 (2,000,000 per year)	State budget and other partners	At least 2 pilot programs have been implemented to integrate SMEs into global S3-related supply chains, with 20 SMEs participating in these chains.
	3. Promotion of business opportunities arising from the Common Regional Market	Leading institution - MFAFT	2026, 2027	3. 2026 and 2027	MKD 4,000,000 (MKD 2,000,000)	WB6 CIF, EC, EASME	At least 3 promotional activities related to the Common Regional Market have been carried out.

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)

PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
		Institutions involved – INOVA and MoEL					
	4. Support for the development of export strategies or foreign market research studies for SMEs in the manufacturing industry	Leading institutions - MoEL, ASIPI Institutions involved – INOVA and MFAFT	2026, 2027	2026 and 2027	MKD 4,000,000 (2,000,000 per year)	MoEL, INOVA and ASIPI	20 export strategies or foreign market research studies have been developed for SMEs in the manufacturing industry.
1.8.5 Provision of training to SMEs and potential entrepreneurs	1. Organising training sessions to promote franchising as an option for starting or expanding business activities	Leading institution – INOVA	2025	2027	MKD 800,000 (400,000 per year)	State budget and other partners	Four training sessions were conducted. Attendance: 40 SMEs
	2. Organising training sessions on artificial intelligence (AI) for SMEs in the sectors of finance, retail, manufacturing, transport, education, agriculture, energy, and entertainment.	Leading institutions - INOVA and MoDT	2025, 2026 and 2027	2025, 2026 and 2027	MKD 3,600,000 (1,200,000 per year)	State budget and other partners	Conducted 6 training sessions Attended by 100 SMEs
	3. Strengthening the capacities of SMEs to implement EU and CEFTA rules and practices.	Leading institution – MFAFT Institutions involved – INOVA	2025, 2026, 2027	2025, 2026, 2027	MKD 3,000,000 (1,000,000 per year)	EC, WB6 CIF, RCC	Organising 6 training sessions Participation of 50 SMEs in trainings related to the application of EU and CEFTA rules and practices

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
1.8.6. Support for SMEs in Implementing International Quality Systems and Standards	1. Partial reimbursement of costs for SMEs for certification of quality management systems according to ISO standards * 40% of the verified costs for SMEs, but not exceeding MKD 150,000 per individual applicant	Leading institution - MoEL	2025	2025	1,500,000	State budget	Supported 10 SMEs
	2. Partial reimbursement of costs for SMEs for HALAL certification *40% of the verified costs for SMEs, but not exceeding MKD 150,000 per individual applicant	Leading institution - MoEL	2025	2025	1,500,000	State budget	Supported 10 SMEs
	3. Support for registering Intellectual Property Rights/patents for companies in the manufacturing industry at national and international levels	Leading institutions – Institute for Protection of Industrial Property Institutions involved - MoEL and INOVA	2025, 2026, 2027	2025, 2026, 2027	MKD 6,000,000 (2,000,000 per year)	State budget	Supported 10 SMEs
1.9 Specific area of intervention: Expand Entrepreneurship in Education and Training							
1.9.1 Expand entrepreneurship education programmes and training	1. Establishment of a coordinating body composed of members from state institutions and organisations to promote and coordinate activities related to formal and informal entrepreneurial education	Leading institution - MoES Institutions involved - MoEL, BDE, CVET, INOVA, Universities, chambers of	2025	2025	MKD 0	Budget is not needed.	Established a coordinating body/working group Developed rules of procedure

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
		commerce, associations					
	2. Organising regular meetings of the coordinating body for entrepreneurial education.	Leading institution – MoES	2026, 2027	2026, 2027	MKD 200,000 (100,000 per year)	State budget	Organising 8 meetings of the coordinating body Defined policy recommendations for future actions
	3. Organising workshops in secondary schools and universities to raise youth awareness about entrepreneurship and the preparation of business plans	Leading institutions - MoES, BDE, Institutions involved – INOVA, CVET, universities, Chambers of commerce	2025, 2026, 2027	2025, 2026, 2027	MKD 600,000 (for 2025), 2.MKD 600,000 (1,300,000 for 2026 and 2027, respectively)	State budget and other partners	Attendance of 700 participants Organisation of 30 workshops
	4. Training for teachers on entrepreneurship, digital skills, and green skills	Leading institution, MoES and BDE Institutions involved - INOVA, MoDT, CVET and universities	2025, 2026, 2027	2025, 2026, 2027	MKD 1,500,000 (500,000 per year)	State budget and other partners	1,500 teachers trained
1.9.2 Further development of the programs at the Centre for Adult Education	1. Training of adults according to a verified adult education program (aimed at retraining and upskilling adults) in accredited institutions and organisations	Leading institution CAE Institutions involved – INOVA and ESA	2026, 2027	2026, 2027	MKD 6,000,000 (3,000,000 per year)	State budget and other partners	Training sessions were conducted for 500 unemployed individuals

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
1.9.3 Support Non-Governmental Organisations (NGOs) and training providers involved in entrepreneurship education	1. Organising training sessions and promotional events related to entrepreneurial education	Leading institutions - INOVA and MoEL	2025, 2026, 2027	2025, 2026, 2027	MKD 1,800,000 (600,000 per year)	State budget and other partners	Organised 10 training sessions with vulnerable participant groups Organised 5 promotional events
1.9.4 Promotion and Utilisation of Technology Transfer Opportunities	1. Organising a campaign to raise awareness about the benefits of intellectual property rights	Leading institutions - INOVA and the Institute for the Protection of Intellectual Property Rights	2026, 2027	2026, 2027	2.MKD 600,000 (1,300,000 per year)	State budget and other partners	Organised 2 campaigns each, resulting in increased awareness of the benefits of the IPR.
	2. Strengthening cooperation between universities, secondary vocational schools from the processing industry and SMEs from the processing and other priority sectors defined in the Smart Specialisation Strategy for the use of laboratories, R&D activities, improvement of technological processes, expert analysis, green transformation and development of new products	Leading institution – MoES Institutions involved MoEL, INOVA, CVET, Universities	2025, 2026, 2027	2025, 2026, 2027	1. MKD 2,000,000 (4,000.000 per year)	State budget and other partners	15 projects implemented 5 new products or services jointly developed

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
	3. Transfer of technology and knowledge from international companies to local SMEs	Leading institution – TIDZ Institutions involved – INOVA	2025, 2026, 2027	2025, 2026, 2027	MKD 9,000,000 (3,000,000 per year)	WB6 CIF	15 projects implemented with international companies
1.10 Specific area of intervention: Support to women's entrepreneurship							
1.10.1 Promotion and Enhancement of Women's Entrepreneurship	1. Organising coordination meetings of the National Platform for Women's Entrepreneurship	Leading institution - INOVA, municipalities and businesswomen's associations	2026,2027	2026, 2027	MKD 600,000 (300,000 per year)	State budget	Organisation of 4 meetings per year
	2. Development of regional hubs to support women's entrepreneurship (in the 8 planning regions)	Leading institution - INOVA, Planning regions and businesswomen's associations	2026	2027	MKD 3,000,000 (1,500,000 per year)	INOVA and other partners, Planning regions	Developed 8 hubs within the planning regions to support women entrepreneurship and strengthen the capacities of existing employees
	3. Increasing transparency of information on access to financing for women-led SMEs.	Leading institution – NBRM	2025	2026	MKD 6,000,000	EBRD	Creation of a data panel on women-owned SMEs based on the credit register of the National Bank of the Republic of North Macedonia (NBRM). Alignment of reporting to the credit register with the minimum and additional reporting criteria according to the Women

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
							Entrepreneurs Finance Initiative Code.
1.10.2 Development of a roadmap for women's entrepreneurship	1. Roadmap for the Development of Women's Entrepreneurship	Leading institution – MoEL Institutions involved - INOVA, chambers of commerce, associations and NPWE	2026	2027	MKD 6,000,000	Remaining partners	Developed Roadmap for the Development of Women's Entrepreneurship
	2. Strengthening Regional Connectivity (Western Balkans) of Women in Business	Leading institution - INOVA Institutions involved - NPWE and BSO	2025, 2026, 2027	2025, 2026, 2027	MKD 6,000,000 (2,000,000 per year)	EC, WB6 CIF, UN organisations, GIZ	Participation of women-led SMEs in regional business networks 20 collaborations established between women entrepreneurs from RSM and other Western Balkan countries
1.11 Specific area of intervention: Support to social entrepreneurship and family business succession (second generation of owners)							
1.11.1 Support to social entrepreneurship	1. Raising awareness about the importance of social entrepreneurship	Leading institution – MoSPDY Institutions involved – INOVA	2025, 2026, 2027	2025, 2026, 2027	MKD 3,000,000 (1,000,000 per year)	State budget and other partners	Organised 3 awareness campaigns Organised 6 public presentations/performances
1.11.2 Support to the second (next) generation of family business owners	1. Support for SMEs (with a focus on family businesses) in training for further qualification of representatives of the second (next) generation of family business owners	Leading institution – INOVA	2026, 2027	2026, 2027	MKD 1,400,000 (700,000 per year)	State budget	Minimum 4 trainings implemented 40 SMEs present

ACTION PLAN FOR THE IMPLEMENTATION OF THE STRATEGY (2025-2027)							
PRIORITY AREA 1: Competitive National Entrepreneurial Ecosystem			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic Area: Sustainable, innovative and competitive economy				
1.12 Specific area of intervention: Support for the implementation of AI (artificial intelligence) in the operations of SMEs							
1.12.1 Support for the introduction of AI in SMEs	1. Support for SMEs in introducing AI to become reference examples	Leading institution – INOVA Institutions involved – MoDT, chambers of commerce	2026, 2027	2026, 2027	MKD 8,000,000 (4,000,000 per year)	State budget and other partners	20 projects supported

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia																													
PRIORITY AREA 2: Access to Finance	CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Sustainable, innovative and competitive economy																												
General objective: To ensure SMEs have equitable and simplified access to diverse, sustainable, and innovative financing solutions, enabling them to invest in growth, innovation, and competitiveness while fostering resilience in dynamic markets	Effect Indicator: Title of the indicator related to the general objective <ul style="list-style-type: none"> Net value of foreign investments in million euros <table border="1"> <tr> <td>2023</td><td>2027</td><td>2030</td></tr> <tr> <td>616,7</td><td>800</td><td>1.000</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table> Value of assets deployed through venture capital funds (in millions of euros) <table border="1"> <tr> <td>2024</td><td>2027</td><td>2030</td></tr> <tr> <td>27</td><td>35</td><td>50</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table> 		2023	2027	2030	616,7	800	1.000	Monitoring period:	Mid-term evaluation	Final Evaluation	2024	2027	2030	27	35	50	Monitoring period:	Mid-term evaluation	Final Evaluation									
2023	2027	2030																											
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Monitoring period:	Mid-term evaluation	Final Evaluation																											
2024	2027	2030																											
27	35	50																											
Monitoring period:	Mid-term evaluation	Final Evaluation																											
Specific objective 1: Improving financial literacy among SMEs and young people Specific objective 2: Enabling greater access to sources of financing (both traditional and alternative) for SMEs (including access to regional and European funds) Specific objective 3: Increased digitisation of financial instruments and alignment with best practices and regulations of the European Union and other financial markets	Outcome Indicator: Title of the indicator related to the specific objective <ol style="list-style-type: none"> Improved financial literacy index for SME owners (OECD/EC model) <table border="1"> <tr> <td>2023</td><td>2027</td><td>2030</td></tr> <tr> <td>69/100</td><td>78/100</td><td>82/100</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table> Total value of funds for SME financing from non-banking, private, EU funds or other sources (million euros) <table border="1"> <tr> <td>2024</td><td>2027</td><td>2030</td></tr> <tr> <td>There is no available data</td><td>20</td><td>40</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table> Grant mechanisms developed for SMEs to boost competitiveness and support the green and digital transition, funded by EU instruments <table border="1"> <tr> <td>2024</td><td>2027</td><td>2030</td></tr> <tr> <td>0</td><td>5</td><td>12</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table> 		2023	2027	2030	69/100	78/100	82/100	Monitoring period:	Mid-term evaluation	Final Evaluation	2024	2027	2030	There is no available data	20	40	Monitoring period:	Mid-term evaluation	Final Evaluation	2024	2027	2030	0	5	12	Monitoring period:	Mid-term evaluation	Final Evaluation
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0	5	12																											
Monitoring period:	Mid-term evaluation	Final Evaluation																											

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia							
PRIORITY AREA 2: Access to Finance			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Sustainable, innovative and competitive economy				
			3.1. Increased number of signed grant and project agreements for SMEs supported through EU and other funding programmes				
			2024		2027		2030
			Data not available		100		210
			Monitoring period:		Mid-term evaluation		Final Evaluation
Measures	Activity	Leading institution Institutions involved	Start date (quarter)	Planned execution date (quarter)	Appraisal of funds required	Funding source	Output indicator (related to measure/activity)
2.1 Specific area of intervention: Make SMEs more investment-ready							
2.1.1 Increased Utilisation of Alternative Financial Instruments	Analysis of the use of alternative financing methods among SMEs (including analysis of options for changing founding capital requirements during company registration, introduction of a new form of business entity – variable capital company, etc.)	Leading institution – MF and NBRM, Institutions involved – MBA	2026	2026	MKD 0		Analysis of good practices and recommendations to enhance the use of alternative financial instruments
	2. Two new alternative financing instruments for SMEs promoted	Leading institution - MF, Institutions involved - NBRM, MBA and	2026	2027	300,000	State budget and partners	At least 2 promotional events for the new alternative financing mechanisms organised

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia							
PRIORITY AREA 2: Access to Finance			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Sustainable, innovative and competitive economy				
		Chambers of commerce					
2.1.2: Investment readiness programme for SMEs	1. Development of a campaign for investment readiness and raising awareness among SMEs	Leading institutions - MF, ASIPI, MDB, and chambers of commerce	2026	2027	1.MKD 200,000 (600,000 per year)	State budget	Implementation of a campaign on investment readiness for SMEs and organisation of 3 promotional events.
	2. Conducting training sessions for SMEs on investment readiness	Leading institution – MF and INOVA Institutions involved - MDB, universities and chambers of commerce	2026, 2027	2026, 2027	MKD 900,000 (450,000 per year)	State budget	Conducting 10 workshops with the participation of 100 SMEs.
	3. Organisation of B2B meetings between potential (international) investors and SMEs	Leading institution - ASIPI, Institutions involved – INOVA and chambers of commerce	2026, 2027	2026, 2027	MKD 1,400,000 (700,000 per year)	State budget	6 B2B meetings conducted Investments realised in 5 SMEs

**ACTION PLAN FOR THE IMPLEMENTATION OF
SME Strategy 2025-2030 of the Republic of North Macedonia**

PRIORITY AREA 2:			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY:				
Access to Finance			Strategic area: Sustainable, innovative and competitive economy				
	4. Participation in creating the Investment Readiness Roadmap for SMEs.	Leading institutions - MoEL, ASIPI	2026	2027	MKD 0	RCC	The Investment Readiness Roadmap for SMEs has been prepared and adopted.
2.1.3 Strengthening the financial literacy programmes	1. Analysis of the state of financial literacy in primary/secondary education	Leading institutions MF and MoES, Institutions involved - BDE, CVET and NBRM	2025	2026	MKD 1,000,000	State budget	An analysis on financial literacy covering 60 schools (40 primary and 20 secondary), including 200 teachers and 2,000 students, has been prepared.
	2. Analysis of the state of financial literacy among SMEs	Leading institution – MF and INOVA	2026	2026	1.MKD 200,000	State budget and other partners	A survey was conducted on a sample of 400 SMEs.
	3. Increasing accountability for inclusive finance.	Leading institution - NBRM	2026	2026	MKD 3,000,000	EBRD	Publication of the annual report on inclusive finance and submission of the data set to the OECD.
	4. Development and implementation of financial literacy programs for educational institutions and SMEs, with an additional focus on specialised training for women entrepreneurs.	Leading institution - NBRM, MF, MoES Institutions involved - INOVA	2026, 2027	2026, 2027	1.MKD 600,000 (800,000 per year)	State budget	Developed financial literacy programs for formal education Developed financial literacy programs for SMEs Participation of 1,000 students in financial literacy training Involvement of 200 companies in financial literacy training

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia							
PRIORITY AREA 2: Access to Finance			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Sustainable, innovative and competitive economy				
2.2 Specific area of interventions: Promote (alternative) financial products and investment opportunities							
2.2.1 Adoption of additional legal framework for business angels and promotion of alternative financial instruments and mechanisms such as crowdfunding, business angel investments, venture capital, trade credit insurance, etc.	1. Analysis of the current state of crowdfunding and venture capital	Leading institution - Macedonian stock market	2026	2026	MKD 0	Budget is not needed	An analysis with recommendations for next steps has been prepared
	2. Adoption of a law and additional legal framework for business angels	Leading institution - MoEL	2025	2027	MKD 15,000,000	EY	Adopted law and additional (bylaw) framework.
	3. Promotion of alternative financing sources and venture capital	Leading institution MF Institutions involved - INOVA	2027	2027	MKD 1,000,000	State budget and other partners	Promotional campaign carried out. 6 promotional events organised with the participation of over 200 SMEs.
2.2.2 Analysis of specific financial instruments (e.g., factoring, leasing, forfaiting, etc.)	1. Analysis of SMEs' needs for specific financing instruments	Leading institution - MF, MBA Institutions involved – INOVA , financial associations	2026	2027	MKD 800,000	State budget and other partners	Analysis conducted among 300 SMEs. A report with recommendations on the use of specific financing mechanisms has been prepared.
2.2.3 Facilitating access to loans for SMEs through the use of intangible assets	1. Amendment of the legal framework and subordinate legislation to enable the use of intangible assets as collateral for SME lending	Leading institution - MF Institutions involved - NBRM	2026	2027	MKD 0		A new legal framework has been introduced to include intangible assets as collateral for SME lending

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia							
PRIORITY AREA 2: Access to Finance			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Sustainable, innovative and competitive economy				
(intellectual property – patents, etc.) as collateral in SME lending	2. Raising awareness and presenting good practices on using intangible assets as collateral for SME lending	Leading institutions - MF and MBA	2026, 2027	2026, 2027	MKD 1,500,000 (750.000 per year)	State budget and other partners	Implementation of 2 awareness-raising campaigns on new financing methods. Participation of representatives from all banks in 4 presentations
2.3 Specific area of intervention: Mobilising EU, National, and Private Financing for SMEs							
2.3.1 Improve access to EU, regional and national SME funding programs	1. Preparation of an analysis of existing organisations/institutions providing access to financial instruments from the EU and other international organisations	Leading institution – INOVA Institutions involved - MoEL, MF, EEN, Chambers of Commerce	2026	2026	MKD 800,000	State budget and other partners	Preparation of a study identifying various financing instruments available to domestic SMEs
	2. Promotional activities to raise awareness about the use of financial sources/mechanisms from the EU and other international organisations	Leading institution – INOVA	2025, 2026, 2027	2025, 2026, 2027	MKD 2,400,000 (800,000 per year)	State budget, EUD and remaining partners	Organisation of 15 events/info sessions to promote financial sources/mechanisms from the EU and other international organisations. Participation of 450 SMEs in the info sessions.

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia							
PRIORITY AREA 2: Access to Finance				CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Sustainable, innovative and competitive economy			
2.4 Specific area of intervention: Increase SME IPO readiness (only pre-IPO)							
2.4.1 Building SME capacity for Initial Public Offering to finance development needs through the capital market	1. Implementation of training sessions to prepare SMEs for IPOs	Leading institutions – MF, Macedonian Stock market,	2026, 2027	2026, 2027	MKD 2,000,000 (1,000,000 per year)	State budget and other partners	Preparation of an analysis on the potential of SMEs for Initial Public Offering (IPO). Conducted training sessions for 20 SMEs with IPO potential to ‘go public’.
2.5 Specific area of intervention: Creating a more conducive and inclusive environment for access to finance							
2.5.1 Create an Online Register of Movable Assets	1. Establishment of an online register for movable assets.	Leading institutions - MF, Institutions involved - CR	2027	2027	MKD 3,000,000	State budget and other partners	Regulatory amendments. Creation of an online register for movable assets.
2.5.2 Strengthening the existing and establishing a new credit guarantee scheme for start-up companies and other SMEs	1. Facilitating access to finance by utilising the existing guarantee scheme of the Macedonian Bank for Development Promotion (MBDP)	Leading institutions - MF and MDB	2025	2027	MKD 920,000,000	State budget and other partners	An increase of state support up to 40% and a 35% growth in the number of SMEs using this support (compared to December 2023).
	2. Development of a dedicated guarantee scheme for start-up	Leading institutions - MF and MDB	2026	2027	MKD 300,000,000	State budget and other partners	Established a new credit guarantee scheme for start-up companies and women-led businesses.

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia							
PRIORITY AREA 2: Access to Finance			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Sustainable, innovative and competitive economy				
	companies and women entrepreneurs.						
2.5.3. Procurement of Equipment for SMEs in the Processing and Other Priority Sectors Defined in the Smart Specialisation Strategy	Establishment of a support/financing mechanism for SMEs in the manufacturing and other priority sectors defined in the Smart Specialisation Strategy for equipment procurement.	Leading institutions INOVA Institutions involved - MoEL, MF, MDB, MoES	2026	2027	60,000,000	State budget and other partners	A financial support instrument for SME equipment procurement has been established. 20 SMEs have purchased equipment with the help of this instrument.
2.6 Specific area of intervention: Alignment of the Late Payment Directive with the latest EU regulation							
2.6.1 Support to introduce the late payment directive (up to 30 days' payment)	1. Analysis of the legal framework for late payments and preparation of a new regulatory framework for late payments harmonised with EU directives	Leading institution - MF	2026	2027	MKD 0		An analysis of the current situation has been conducted. A draft law on late payments has been prepared in accordance with EU regulations

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia																				
PRIORITY AREA 3: Green and Digital Transition	CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Green Transformation																			
<p>General objective: To support SMEs in adopting sustainable practices and integrating advanced digital technologies, enabling them to enhance competitiveness, reduce environmental impact, and align with global trends toward a greener and more innovative economy.</p>	<p>Effect Indicator: Title of the indicator related to the general objective</p> <ul style="list-style-type: none"> Increase in the growth index of digital technology according to the Digital Economy and Society Index (DESI) <table> <tr> <td>2023</td><td>2027</td><td>2030</td></tr> <tr> <td>4.0</td><td>5.3</td><td>6.7</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table> Share of products and services from the ICT sector in GDP. <table> <tr> <td>2022</td><td>2027</td><td>2030</td></tr> <tr> <td>3,5%</td><td>5%</td><td>6,7%</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table> 		2023	2027	2030	4.0	5.3	6.7	Monitoring period:	Mid-term evaluation	Final Evaluation	2022	2027	2030	3,5%	5%	6,7%	Monitoring period:	Mid-term evaluation	Final Evaluation
2023	2027	2030																		
4.0	5.3	6.7																		
Monitoring period:	Mid-term evaluation	Final Evaluation																		
2022	2027	2030																		
3,5%	5%	6,7%																		
Monitoring period:	Mid-term evaluation	Final Evaluation																		
<p>Specific objective 1: Establishment of a regulatory framework that will enable greater use of digital tools in communication with the Government, thereby increasing efficiency in issuing documents and submitting requests to institutions.</p> <p>Specific objective 2: Raising awareness among entrepreneurs about the introduction of standards that will contribute to a cleaner environment and greater sustainability of their businesses through the application of the circular economy.</p> <p>Specific objective 3:</p>	<p>1. Outcome Indicator: Title of the indicator related to the specific objective</p> <p>1.1. Adopted digital platform/solution aimed at increasing the efficiency of communication between entrepreneurs and the government</p> <table> <tr> <td>2024</td><td>2027</td><td>2030</td></tr> <tr> <td>0</td><td>1</td><td>1 (updated version)</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table> <p>2.1. Number of national campaigns conducted on raising awareness among entrepreneurs about the digital and green transition</p> <table> <tr> <td>2024</td><td>2027</td><td>2030</td></tr> <tr> <td>0</td><td>10</td><td>20</td></tr> <tr> <td>Monitoring period:</td><td>Mid-term evaluation</td><td>Final Evaluation</td></tr> </table>		2024	2027	2030	0	1	1 (updated version)	Monitoring period:	Mid-term evaluation	Final Evaluation	2024	2027	2030	0	10	20	Monitoring period:	Mid-term evaluation	Final Evaluation
2024	2027	2030																		
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ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia							
PRIORITY AREA 3: Green and Digital Transition			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Green Transformation				
Increased application of digital transformation in SMEs by providing institutional support and financial resources for the implementation of particular measures.			2.2. Number of companies trained in implementing environmental standards in their operations				
			2024		2027		2030
			0		200		450
			Monitoring period:		Mid-term evaluation		Final Evaluation
			3.1. Introduction of a grant scheme for the adoption of digital services and technologies by SMEs				
			2024		2027		2030
			0		1		2
			Monitoring period:		Mid-term evaluation		Final Evaluation
			3.2 Number of companies using grants or vouchers for implementing environmental standards or energy efficiency.				
			2024		2027		2030
20		50		100			
Monitoring period:		Mid-term evaluation		Final Evaluation			
Measures	Activity	Leading institution Institutions involved	Start date (quarter)	Planned execution date (quarter)	Appraisal of funds required	Funding source	Output indicator (related to measure/activity)
3.1 Specific area of intervention: Regulatory framework for digital transformation							
3.1.1 To improve the regulatory framework that will	1. Adoption and implementation of a cybersecurity legislative framework fully aligned with EU policies and law	Leading institution - MDT	2025	2026	MKD 0	Budget is not needed	Amended/improved legislative solutions for cybersecurity

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia							
PRIORITY AREA 3: Green and Digital Transition			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Green Transformation				
support digital transformation	2. Adoption of a new law on electronic documents, electronic identification, and confidential services	Leading institution - MDT	2025	2025	MKD 0	Budget is not needed	Adopted a new legislative framework
	3. Development of a Digital Wallet for digital identity	Leading institution - MDT	2025	2027	MKD 360,000,000	State budget and other partners	Introduced a digital wallet for digital identity
	4. Mutual recognition of e-signatures and eID among Western Balkan countries	MDT and Mol	2025	2026	MKD 0	Funds are not needed	Functional recognition of e-ID among Western Balkan countries
3.2 Specific area of intervention: Digitalisation of the banking sector							
3.2.1 Encouraging SMEs to Use Digital Tools in Their Operations, Especially in the Area of Payments	1. Creating a campaign to raise awareness among SMEs about the benefits of using digital banking	Leading institution – MF and MBA Institutions involved – NBRM and MoDT	2026	2027	MKD 900,000 (450,000 per year)	State budget and other partners	Conducted 6 promotional events (awareness-raising campaigns) in rural areas
3.3 Specific area of intervention: Creation of scale-up programmes to support SMEs' digitalisation							
3.3.1 Development of programmes and	1. Implementation, adaptation, and integration of digital solutions and technologies in SMEs.	Leading institution – EDIH Institutions involved -	2026	2027	MKD 6,000,000 (3,000,000 per year)	State budget and other partners	Number of new digital solutions implemented by 30 SMEs

**ACTION PLAN FOR THE IMPLEMENTATION OF
SME Strategy 2025-2030 of the Republic of North Macedonia**

PRIORITY AREA 3:

Green and Digital Transition

CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY:

Strategic area:

Green Transformation

instruments to increase digitalisation of SMEs		MoEL, INOVA and MoDT					
	2. Organising workshops in digital hubs on cybersecurity, where employees from the public sector, universities, and private sector organisations collaborate to share knowledge and exchange information.	Leading institution - MoDT Institutions involved - chambers of commerce, NGOs	2025	2027	MKD 3,690,000	State budget and other partners	More than 20 workshops, seminars, or meetings organised
	3. Vouchers for business consulting services for digital transition	Leading institution – INOVA	2026, 2027	2026, 2027	MKD 2,000,000 (1,000,000 per year)	State budget, donors	120 vouchers awarded.
	4. Advanced digital literacy courses	Leading institutions, EDIH and MoDT Institutions involved – INOVA	2026, 2027	2026, 2027	MKD 2,000,000 (1,000,000 per year)	State budget	Support provided for 200 SME employees to participate in advanced digital literacy training
	5. Promotional campaign on the benefits of e-commerce	Leading institutions – MoDT and MoEL, Institutions involved –	2026, 2027	2026, 2027	MKD 4,000,000 (2,000,000 per year)	State budget and other partners	Implementation of 2 media promotional campaigns

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia								
PRIORITY AREA 3: Green and Digital Transition			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Green Transformation					
		INOVA, chambers of commerce and universities						
	6. Strengthening public-private partnerships, cooperation with chambers of commerce, the public, civil and private sectors, the academic and research community, and knowledge sharing in cybersecurity.	Leading institution - MoDT Institutions involved - chambers of commerce, HBO	2027	2027	MKD 2,000,000	State budget and other partners	Established 3 new public-private partnerships	
3.4 Specific area of intervention: SMEs Transition to a circular economy								
3.4.1 Development of specialised training programmes that support transition to a circular economy	1. Specialised training related to various aspects of the circular economy.	Leading institutions - MoEL and INOVA Institutions involved MoES, CAE, CVET, Universities	2025, 2027	2026,	2025, 2026, 2027	MKD 3,000,000 (1,000,000 per year)	State budget and other partners	Two trainings are developed per year

**ACTION PLAN FOR THE IMPLEMENTATION OF
SME Strategy 2025-2030 of the Republic of North Macedonia**

PRIORITY AREA 3: Green and Digital Transition				CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Green Transformation			
	2. Development of specialised laboratories for the circular economy to meet the needs of SMEs.	Leading institutions - MoEL, MoES, Universities	2026	2027	MKD 30,000,000	State budget	10 laboratories installed. 100 SMEs use services from the installed laboratories."
3.4.2 Support to SMEs for the introduction of energy-efficient systems and equipment that utilise renewable energy sources	1. Subsidies for the installation of alternative energy sources for SMEs (photovoltaics, wind turbines, mini-hydropower plants, heat pumps, etc.).	Leading institution - MEPMM	2025	2027	2. MKD 6,000,000	State budget	Support provided to 30 SMEs for the installation of alternative energy systems
	2. Training on energy management in industry.	Leading institution - MEPMM, Institutions involved - Universities Chambers of commerce	2026,2027	2026,2027	MKD 1,000,000 (500,000 per year)	State budget and other partners	8 trainings conducted. Participation of 120 SMEs in the training.
3.4.3 Support for Companies in the Area of Employee Reskilling and Upskilling for the Needs of the Green Transition	1. Development of training programs for sustainable energy sources (e.g., installers and maintenance technicians of photovoltaic systems, electric vehicle battery handlers, etc.)	Leading institution VET, MEPMM Institutions involved MoES, MoEL, CVET.	2025,2026,2027	2025,2026,2027	1.MKD 200,000 (400,000 per year)	State budget and other partners	7 training programs developed. 200 individuals trained and employed

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia							
PRIORITY AREA 3: Green and Digital Transition			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Green Transformation				
3.4.4 Support for the Banking Sector in Introducing Financial Products to Promote the Circular Economy and the Digital and Green Transition	1. Training for bank employees on introducing products that support the circular economy and the digital and green transformation	Leading institution MF, MBA and NBRM, Institutions involved - INOVA, Universities	2026	2027	MKD 0	Own budget of the banks	Introduced 2 new financial products to support the circular economy and the digital and green transformation. Trained 50 bank employees who will provide the new service
3.5 Specific area of intervention: Support for the Development of Green Start-up and Spin-off Companies, and Green Innovative Solutions and Technologies within Existing SMEs							
3.5.1 Development of Green Start-up and Spin-off Companies and Support for SMEs in Green Technological Development	1. Co-financing grants and other technical support for green start-ups and spin-offs (including additional bonus/quota for women entrepreneurs).	Leading institution - INOVA, Institutions involved - MoES, MoEL, MoDT and universities	2026	2027	MKD 1,537,500,000	State budget and EY	Supported 50 start-ups and spin-off companies.
	2. Co-financing grants and other technical assistance for green technology development in SMEs	Leading institution INOVA Institutions involved - MoES, MoEL, MoDT and universities	2026	2027		State budget and EY	300 SMEs supported

ACTION PLAN FOR THE IMPLEMENTATION OF SME Strategy 2025-2030 of the Republic of North Macedonia							
PRIORITY AREA 3: Green and Digital Transition			CONNECTION WITH THE NATIONAL DEVELOPMENT STRATEGY: Strategic area: Green Transformation				
3.6 Specific area of intervention: Support to companies to comply with environmental and other sustainability standards							
3.6.1 Measure: Support programmes for complying with green/digital international standards	1. Conducting training sessions for SMEs related to green international standards * Corporate Sustainability Reporting Directive (CSRD), - Carbon Border Adjustment Mechanism (CBAM), - ESG criteria, - Cradle to Cradle Certified, - (International Sustainability & Carbon Certification (ISCC), - ISO 14000, ISO 50000, etc.	Leading institution MoEL and MEPMM Institutions involved – INOVA	2026,2027	2026,2027	MKD 2,000,000 (1,000,000 per year)	Domestic budget	Participation of 60 SMEs in the training.

ACRONYMS:

Acronym	Full title
ASIPI	Agency for Foreign Investments
SSO	State Statistical Office
EEN	Enterprise European Network
ZELS	Association of Local Self-Government Units
INOVA	Agency for innovation, scientific and technological development and entrepreneurship
MDB	Macedonian Development Bank
MoDT	Ministry of Digital Transformation
MoEMMR	Ministry of Energy, Mining and Mineral Resources
MoEL	Ministry of Economy and Labour
MFAFT	Ministry of Foreign Affairs and Foreign Trade
MoEPP	Ministry of Environment and Physical Planning
MoES	Ministry of Education and Science
SMEs	Small and medium enterprises
MF	Ministry of Finance
NBRM	National Bank of the Republic of Macedonia
RIA	Regulatory Impact Assessment
S3	Smart Specialisation Strategy
TIDZ	Technological Industrial Development Zones
PRO	Public Revenue Office
CAE	Centre for Adult Education
CR	Central Register
CVET	Centre for Vocational Education and Training
WB6 CIF	Western Balkans 6 Chamber Investment Forum



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