



USAID | **MACEDONIA**
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INVESTMENT DEVELOPMENT AND EXPORT ADVANCEMENT SUPPORT PROJECT

FINAL REPORT

DECEMBER 2010 – DECEMBER 2015

December 2015

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DISCLAIMER

The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

LIST OF ACRONYMS

AEO	Authorized Economic Operators
AEP	Agency for Entrepreneurship Promotion
BC	Business Community
BEA	Business Environment Activity
B-REDI	Balkan Regional Economic Development Initiative
BSP	Business Service Provider
B2B	Business to Business
CA	Contracting Authorities
CBI	Dutch Centre for the Promotion of Imports from Developing Countries
CDS	Center for Business Cooperation
CEFTA	Central European Free Trade Agreement
CIFF	Copenhagen Fair
CIPE	Center for International Private Enterprise
CoC	Chamber of Commerce
CoP	Chief of Party
COR	Contract Officer's Representative
COTR	Contracting Officer's Technical Representative
CRM	Customer Relations Management System
CSEND	Center for Socio-Economic Development
DI	Domestic Investment
DOC	Development Outreach and Communications
DPMEA	Deputy Prime Minister for Economic Affairs
DQA	Data Quality Assessment
ECM	Economic Chamber of Macedonia
ECNWM	Economic Chamber of North-Western Macedonia
EEN	European Enterprise Network
EG	Economic Growth
EOM	Employers Organization of Macedonia
ESC	Economic Social Council
EU	European Union
ENER* (EHEP)	Unique National Electronic Register of Regulations
ESC	Economic–Social Council
FB	Facebook
FDI	Foreign Direct Investment
FIC	Foreign Investors Council

FY	Fiscal Year
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German International Cooperation)
GoM	Government of Macedonia
HR	Human Resources
IC	Inspections Council
ICT	Information and Communications Technology
IDEAS	Investment Development and Export Advancement Support
IDEAS DePo	Center for Development Policy
IEP	Investment and Export Promotion project by GIZ
IFC	International Finance Corporation
IGD	Inclusive Growth Diagnostic
IIEP	Interethnic Integration in Education Project
IMEG	Inter-Ministerial Expert Group
Invest Macedonia	Agency for Foreign Investments and Export Promotion
IP	Industrial Policy/Implementing Partners
IPA	Instrument for Pre-Accession
ISO	International Organization for Standardization
ISRM	Institute of Standardization of the Republic of Macedonia
IT	Information Technology
ITC	International Trade Commission
JSP	Judicial Strengthening Project
KPIs	Key Performance Indicators
LGBTI	Lesbian, Gay, Bisexual, Transgender, Intersex
LOE	Level of Effort
LoP	Life of Project
MASIT	ICT Chamber of Commerce
MCA	Macedonian Customs Administration
MCP	Macedonia Competitiveness Project
MISA	Ministry of Information Society and Administration
MKD	Macedonian Denar
MLSP	Ministry of Labor and Social Policy
MoE	Ministry of Economy
MoE IPCD	Industrial Policy and Competitiveness Department in the Ministry of Economy
MOU	Memorandum of Understanding
M&E	Monitoring and Evaluation

NCTS	New Computerized Transit System
NECC	National Entrepreneurship and Competitiveness Council
NGO	Non-Governmental Organization
NTB	Non-Tariff Barriers
NTFC	National Trade Facilitation Committee
OECD	Organization for Economic Cooperation and Development
OSCE	Organization for Security and Cooperation in Europe
OSS	One Stop Shop
PA	Public Administration
PAiiZ	Polish Information and Investment Agency
PESTLE	Political, Economic, Social, Technological, Legal, Environmental
PP	Public Procurement
PMI	Project Management Institute
PMP	Performance and Monitoring Plan/Project Management Professional
PPB	Public Procurement Bureau
PPD	Public-Private Dialogue
PPP	Public-Private Partnership
PPR	Performance Plan Reporting
PR	Public Relations
PWDs	Persons with Disabilities
RCI	Regional Competitiveness Initiative
RFP	Request for Proposals
RIA	Regulatory Impact Assessment
SARIO	Slovak Investment and Export Promotion Agency
SBEP	Small Business Expansion Project
SEE	South East Europe
SEEITA	South East Europe ICT Associations
SIPPO	Swiss Import Promotion Program
SLI	State Labor Inspectorate
SMEs	Small and Medium-Sized Enterprises
SMI	State Market Inspectorate
SOW	Statement of Work
SP	Special Project
SPS	Sanitary and Phytosanitary Measures
SWOT	Strengths, Weaknesses, Opportunities, Threats
TA	Technical Assistance

TBT	Technical Barriers to Trade
TCB	Trade Capacity Building
TF	Trade Facilitation
TIDZ	Technological Investment Development Zone
TRS	Time Release Study
TTA	Textile Trade Association
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
USG	United States Government
WB	World Bank
WCO	World Customs Organization
WEF	World Economic Forum
WP	Work Plan
WTO	World Trade Organization

TABLE OF CONTENTS

Executive Summary	7
Introduction	11
Goals and Objectives	12
Methodology	13
Key Achievements	14
Component A—Foreign Direct Investment (FDI) / Domestic Investment (DI) / Export Facilitation and Investment Aftercare Improved	17
Theme 1: Implementation of the new GoM industrial policy for enhanced inter-ministerial coordination and streamlining of DI, FDI, and aftercare	18
Theme 2: Development and Implementation of a comprehensive export promotion strategy and trade policies to support exports.....	38
Theme 3: Continued Professionalization of the Public Procurement system	53
Component B— Public-Private Dialogue (PPD) Enhanced	55
Component I: Enhanced International Trade Integration and Trade Facilitation	68
Component II: Streamlined Business Enabling Environment for Inspections	73
Component III: Strengthened Institutionalized Public – Private Dialogue	79
Public Relations (PR) and Information	84
Inclusive Development	100
Internship	103
Performance Monitoring Plan (PMP)	105
Project Legacy	107
Annex I: Index of All contract Reports and Information / Intellectual Products Produced Under the Contract	118

EXECUTIVE SUMMARY

The USAID's Investment Development and Export Advancement Support (IDEAS) project, (referred to hereinafter as the "Project"), launched in December 2010, was a four-year, \$5.1-million Economic-Growth project, and was implemented by Booz Allen Hamilton in Macedonia. The project's overall objective was to improve the business environment, increase domestic investment, attract more foreign direct investment (FDI), and promote increased exports of Macedonian products. Specifically, the project's goal was to provide assistance to the Government of Macedonia (GoM) in the following four areas: (1) Industrial Policy Implementation and Investment Aftercare, (2) Export Promotion, (3) Enhancement of Public Private Dialogue, and (4) Public Procurement (finalized in the first two years of the project). Since its launch, the IDEAS Project has provided technical and managerial expertise to key government counterpart ministries, departments, and agencies; private-sector institutions and enterprises; and public- and private-sector support organizations. The range of support included a combination of targeted long-term technical assistance, advisory services, and project initiatives.

Description of Components: The IDEAS project was strongly interrelated and interdependent with cross-cutting themes and activities. It was divided into four interconnected components that leveraged related activities and available resources to achieve the project's overall objective and promote inter-component cooperation. The four components and their objectives were as follows:

- **Industrial Policy Implementation and Investment Aftercare**

Goal: Improve the overall system for industrial policy implementation by strengthening coordination among all stakeholders involved and facilitating and supporting investments by streamlining relevant investment procedures within the Government of Macedonia.

Objective: was to support the GoM in its efforts to increase the competitiveness of the Macedonian economy by strengthening the coordination mechanisms for implementation of the IP and by streamlining investment aftercare procedures. In the area of **industrial policy** implementation, the Project aimed at improving the process of implementation of programs and measures for increasing the competitiveness of Macedonian industry by strengthening coordination among responsible institutions and enhancing the information available to the private sector. Assistance for **facilitating investments** encompassed assessment and research in areas relevant for improvement of the investment climate and assistance to the establishment of efficient and effective aftercare services within the portfolios of InvestMacedonia and the TIDZ Directorate.

Impact: Increased efficiency and effectiveness of industrial policy implementation through improved coordination among the responsible government institutions, and streamlined foreign direct investment (FDI) and direct investment (DI) procedures and improved aftercare services.

- **Export Promotion**

Goal: Developing and implementing a comprehensive export-promotion strategy and a set of trade policies to support the country's exports.

Objective: was to support Macedonia's economic reforms to promote exports and further improve the business environment, enhance private sector competitiveness and strengthen the overall economy. As the mandate of InvestMacedonia for export promotion was legally assumed only in 2010, the Project was actively involved in setting up the organizational framework of this Agency and building its capacity to effectively exercise its new function.

Impact: Enhanced exports through development and implementation of a comprehensive export promotion strategy and trade policies; strengthened Agency for Foreign Investments and Export Promotion (InvestMacedonia) operational capacities by building its processes and mechanisms to provide relevant services to export-oriented companies, focusing on key sectors with the highest potential, and increased exports from targeted sectors, facilitated by the Agency.

- **Enhancement of Public-Private Dialogue**

Goal: Assisting Macedonia in achieving a sustainable and productive PPD process on the national level, based on the principles of inclusiveness, competence, and involvement of all stakeholders.

Objective: developed mechanisms to ensure a sustainable PPD and civil society dialogue and attain tripartite consensus driven decisions for the well-being of the Macedonian economy. Successful PPD is based upon *Policy Papers* produced by stakeholders following thorough research and analysis, *Public consultations* during the legislative process for the purpose of including the businesses and *Capacities of Advocacy Organizations* as relevant GOM partners aimed at enhancing the trust among stakeholders, their knowledge and expertise, and developing instruments and mechanisms as PPD platforms. The large number of business organizations combined by the scarce resources was a key challenge for building a continuous PPD. Therefore, the project focused on these key factors in all its activities that was, introduction of new mechanisms (NECC), improvement of non-functional instruments (RIA/ENER); and building capacities and knowledge of the public, private and civil sector to engage in PPD.

Impact: Established successful and relevant public-private dialogue (PPD) through improving institutions' capacities and involving all relevant stakeholders.

- **Continued Professionalization of the Public-Procurement System**

Goal: Improve Public Procurement System.

Objective: To further support the PPB in its efforts to introduce higher standards and professionalism in the public-procurement processes and to provide the public-procurement community with well-qualified and skilled professionals.

Impact: Improved the capacity and the status of the Public Procurement Bureau (PPB) and Public Procurement profession and increased the usage and promotion of the e-procurement system.

Starting from November 1, 2014 until the completion of the Project on December 27, 2015 (representing a one-year extension from the original Period of Performance through December 27, 2014), upon USAID's recommendations and requirements, and based on USAID/Macedonia Inclusive Growth Diagnostic (IGD) and the submitted Scope of Work for the extension period, there were two new areas of intervention identified by USAID (*Enhanced international trade integration and trade facilitation* and *Streamlined business enabling environment for inspections*) as well as continuation of the support in the PPD component. Therefore, the Components *Implementation of the new GOM Industrial Policy for enhanced inter-ministerial coordination and streamlining of DI, FDI, and aftercare*, and the Component *Development and Implementation of a comprehensive export promotion strategy and trade policies to support exports* were archived.

The new activities undertaken during the extension period were divided by the following areas of intervention: *Component 1 - Enhanced international trade integration and trade facilitation*; *Component 2 - Streamlined business enabling environment for inspections* and *Component 3 – Strengthened Institutionalized Public – Private Dialogue*.

The overall objective of the IDEAS extension was providing support towards increasing returns to economic activities, reducing total trade costs, strengthening the capacities of the existing public-private mechanisms, which at the end will foster an improved environment for participation of Macedonian companies in international value chains.

- **Enhanced international trade integration and trade facilitation**

Goal: Helping the country and its institutions to successfully face the challenges of complying with and meeting the commitments and obligations towards the WTO, EU and CEFTA.

Objective: Provided assistance to the Government of Macedonia to continue to advance crucial global and regional trade integration efforts for the benefit of its traders and the overall economy.

Impact: Strengthen Government capacity to continue to play a constructive role in the international trading arena and to make additional progress its relations with the global and regional trade regulation partners – World Trade Organization, European Union and CEFTA.

- **Streamlined business enabling environment for inspections**

Goal: Protect the competitiveness of the economy, improve the rule of law in this area, improve fiscal state of the government, and to protect the health and wellbeing of citizens.

Objective: Enhanced the functioning of the inspection systems in the country.

Impact: Strengthened human and institutional capacity of the Inspection Council in order to successfully undertake its mandate given by the law and ensure timely, transparent and quality inspections.

- **Strengthened Institutionalized Public – Private Dialogue**

Goal: Ensures sustainability of the established PPD mechanisms and instruments, after the project ends.

Objective: Established and improved PPD instruments and mechanisms focusing on post-project sustainability; introduced new procedures; initiated research and experience exchange on the best practice model; tracked the progress of issues; helped stakeholders achieve resolution.

Impact: As previously elaborated, in the last year of its implementation, the Project built on the PPD achievements from previous years, resulting with establishing and sustainable operating the National Entrepreneurship and Competitiveness Council (NECC) as the national PPD forum, and educates professionals on Regulatory Impact Assessment (RIA) / Legislation Public consultation portal ENER. As result of IDEAS efforts, Macedonia's improved standing in 2013 came after the strong recognition of project's efforts in the 2012 competitiveness report from the World Economic Forum. Macedonia's strongest achievements and progress were noted also in the field of transparency in policy-making related to business. This is by definition strongly connected to IDEAS efforts and results in the past years.

In addition, in order to advance one of the objectives of the USAID Forward strategy, to "Promote sustainable development through high-impact partnerships and local solutions," during this extension period, IDEAS supported the establishment of a local organization. The intention was to represent the legacy of the Project, with an organization formed by representatives from the IDEAS Project local staff, and build its institutional capacity during the remaining life of the IDEAS Project (2015). This will assist USAID in achieving long-term sustainable development, by strengthening local partners and

organizations that will serve as engines of growth and progress. This process is also a component of the approved extension.

INTRODUCTION

The **Investment Development and Export Advancement Support (IDEAS)** project is built upon the theory that if USAID improves the Government of Macedonia's capacity and coordination related to increasing domestic investment and attracting more foreign investment under the framework of the GOM's new Industrial Policy; supports a comprehensive and effective export promotion strategy; continues to support improvements in the public procurement capacity; develops and institutionalizes stronger mechanisms for public-private dialogue; and reforms and streamlines the laws and processes related to the planning and permitting of construction land, the result will be an improved business environment in these critical areas. Due to the Project extension and contract modification, after the first two years the Project stopped working on Industrial Policy Implementation and focused instead on trade and trade facilitation issues. In addition, the last 15 months of the Project also centered on inspections reforms.

Thus, the Project initially included the following three components:

A Foreign Direct Investment (FDI) / Domestic Investment (DI) / Export Facilitation and Investment Aftercare Improved, which focused on the following three themes:

- 1) *Implementation of the new GOM Industrial Policy for enhanced inter-ministerial coordination and streamlining of DI, FDI and aftercare*
- 2) *Development and Implementation of a comprehensive export promotion strategy and trade policies to support exports*
- 3) *Continued Professionalization of the Public Procurement system*

B Public-Private Dialogue (PPD) Enhanced which focused on the lack of standardized and transparent mechanisms for the private sector to effectively identify its needs and communicate them to the Government; the private sector's lack of capacity to undertake diverse and productive approaches to advocacy; and the public sector's lack of capacity and resources to filter and analyze requests and provide a clear and confident response, when appropriate.

C Legal Framework on Planning and Permitting of Construction Land is Improved and Government Capacity to implement new Laws is Enhanced focused on spatial and urban planning and construction permitting in Macedonia which is supposed to provide guidelines for national development and the efficient management and use of various types of land such as construction and agricultural land.

As explained earlier, under the Year 5 Work Plan, the new activities undertaken in the extension period were divided through the following areas of intervention: *Component 1 - Enhanced international trade integration and trade facilitation; Component 2 - Streamlined business enabling environment for inspections and Component 3 – Strengthened Institutionalized Public – Private Dialogue.* Activities under the earlier components were archived.

In order to address the key issues of all the components, to sustain the achieved momentum in the sector, and to build upon tangible successes of previous USAID support to improving the business environment in Macedonia, the Project was to provide technical and managerial expertise to key government counterpart ministries, departments, and agencies; private sector institutions and enterprises; and public and private sector support organizations.

Goals and Objectives

The overall objective of the project is to improve the environment for doing business, enhance economic activity and growth, and address high unemployment rates. Specific project goals and objectives under each component included the following:

- A. Foreign Direct Investment (FDI) / Domestic Investment (DI) / Export Facilitation and Investment Aftercare Improved:
- 1) The current system for FDI/DI facilitation and aftercare is streamlined and better coordinated;
 - 2) The inter-ministerial coordination structure of the Industrial Policy is operational and effective;
 - 3) Select programs described in the Industrial Policy are successfully launched and fully implemented with tangible results;
 - 4) New FDI, DI, exports, and jobs have been created as a result of these efforts;
 - 5) The GOM has monitoring and evaluation systems and capacity to monitor results; and
 - 6) The private sector is involved with the implementation of the Industrial Policy and through the Policy's structure the GOM accepts and responds to private sector requests in a coordinated fashion;
 - 7) Use of the e-procurement system continues to grow, enabling the government to make real progress on achieving its targets for the e-procurement system; and,
 - 8) GOM procurement officials are trained and certified as procurement professionals and a formal procurement certification program is established and well-functioning. In addition, the quality of goods and services provided to the GOM is enhanced and opportunities for corruption are decreased because access to public procurements for foreign and domestic firms is more fair and transparent as a result of more competent procurement professionals and knowledgeable private sector bidders.
- B. Public-Private Dialogue (PPD) Enhanced:
- 1) Select chambers and business associations actively engage in professional advocacy using diverse and productive approaches without USAID support;
 - 2) Sustainable and equitable public private dialogue mechanisms are established;
 - 3) The media provides the following: transparency to private sector requests and government responses, a means for officials who champion reform to receive recognition, and a way for inactivity or non-responsiveness to be publicized;
 - 4) One or more existing or new sustainable private sector organizations, like the NECC, are sustainable and serve as an equal counterpart to the Industrial Policy's Competitiveness Committee of Ministers and the Inter-Ministerial Expert Group and its input is incorporated into the development of Industrial Policy measures.
 - 5) Establish and improve PPD instruments and mechanisms, focusing on their post-project sustainability; introduce new procedures; initiate research and experience exchange on the best practice model; track the progress of issues; help stakeholders achieve resolution; and expand the use of e-applications for communications.
- C. Legal Framework on Planning and Permitting of Construction Land is Improved and Government Capacity to implement new Laws is Enhanced:
- The legal framework is made clear for investors, and harmonized resulting in clearer, less lengthy and expensive procedures for spatial and urban planning and construction permitting and the staff and institutions responsible for implementing this legal framework are well trained and capable to administer efficient planning and permitting procedures in a manner that serves the citizens and investors effectively.

D. Enhanced International Trade Integration and Trade Facilitation:

- 1) Self-assessment findings regarding Macedonia's compliance with WTO's Agreement on Trade Facilitation (TFA) indicate areas for strengthening and improvement;
- 2) Rotating chairmanship for CEFTA goes to Macedonia in 2014. The role requires exceptional resources, including the organization of the main annual CEFTA event – the CEFTA Week;
- 3) The Macedonian Customs Administration put into operation the New Computerized Transit System – NCTS, software that enables integrated and uninterrupted tracking of goods in transit through the territories of Macedonia and the EU. Full implementation of the procedures is expected to take place in the course of 2015.

E. Streamlined Business Enabling Environment for Inspections:

- 1) Assist in streamlining the relevant regulatory framework
- 2) Help Council of Inspection Authorities build its institutional capacity, including organization of study visits, design and delivery of training, and introduction of e-Gov and other IT solutions.

Methodology

The IDEAS project continued the approach taken by the BEA project of combining strong oversight from Booz Allen headquarters with extended local and regional implementation to support the following three-tier approach:

Sustainability and Training: A Trademark of the IDEAS Program

The IDEAS Project strengthened Government Capacity to Implement Economic Policies & Programs, and Improved Public Private Dialogue. IDEAS worked with 11 counterpart institutions (as well as many of their subsidiaries):

- Cabinet of the Deputy Prime Minister for Economic Affairs
- Ministry of Economy
- Ministry of Information Society and Administration
- Agency for Foreign Investments and Export Promotion of the Republic of Macedonia (InvestMacedonia)
- Directorate for Technological Industrial Development Zones
- Public Procurement Bureau
- Macedonian Customs Administration
- Inspections Council
- State Labor Inspectorate
- State Market Inspectorate
- National Entrepreneurship and Competitiveness Council

In order to help accomplish one of the focus areas of the USAID Forward strategy, to “Promote sustainable development through high-impact partnerships and local solutions”, IDEAS supported the **establishment of a local organization Center for Development Policies, IDEAS DePo.**

1. Build local capacity by giving ownership of the reform to the Macedonian community
2. Stay focused on the outcome, but flexible in implementation
3. Pair policy reform with concrete activities to measure impact, and readjust as necessary.

This approach led to the IDEAS project contracting more than 30 Macedonian consultants and another 20 regional and international professionals to ensure deep technical expertise was combined with strong knowledge of the local context. IDEAS delivered technical assistance to more than 20 institutions and governmental agencies; cooperated with several business associations and chambers and partnered with major international organizations, such as the World Bank Group, the World Customs Organization, and the World Trade Organization.

The project also remained flexible in its approach to allow new ideas and priorities to gain momentum and opened new ways for engaging our stakeholders. As such, we welcomed the opportunity to be part of the reforms of the inspection surveillance system, which was not originally envisioned in our scope. We used this opportunity to develop a long-standing relationship with the newly created Inspections Council, as well as Market and Labor inspectorates. In doing so, we kept our local partners actively engaged because we were helping them on matters important to them at the moment, while still supporting our goal to promote a friendlier business environment.

Key Achievements

The IDEAS Project, by extending its technical assistance to a broad set of public and private sector institutions, was able to achieve numerous successes in all aspects of its engagement. Following are highlights of a few IDEAS accomplishments:

1. **Industrial Policy Implementation:** The IDEAS Project developed an Action Plan and Monitoring and Evaluation (M&E) Framework for industrial policy implementation, provided capacity building for the Inter-Ministerial Group, designed web portal www.konkurentnost.mk, and implemented a grant scheme for improving the productivity and the efficiency of Macedonian companies.
2. **Streamlining of Investment Procedures and Aftercare:** The IDEAS Project supported the efforts of IM and the TIDZ Directorate for multiplying FDI effects by carrying out assessments of the visa and work permit regimes and the capacity of municipalities to issue construction permits, and by developing comprehensive aftercare programs in IM and the TIDZ Directorate (manuals, databases of foreign investors and local suppliers, instruments for assessing the investors' satisfaction with investment climate and the quality of aftercare services, IT tools for efficient aftercare).
3. **Trade Facilitation:** The IDEAS Project provided support to the country's efforts to further strengthen compliance with global trade rules and

Main accomplishments of USAID's IDEAS Project and its partners are:

- The **Strategic Framework and Business Model for the InvestMacedonia**, the Guide for Exporters, export curriculums for apparel and services sectors;
- **The methodologies and techniques for conducting inspection supervision;**
- **Two new public- private dialogue mechanisms** (the Unique National Electronic Register of Regulations – ENER and NECC) and
- **Six web portals that make information more accessible to the private sector;**
- **\$40,000 awarded as grants to 12 companies** to improve their competitiveness and market expansion;
- **Organized participation of 115 business representatives to 15 world's leading trade events.**
- **89 business organizations' representatives trained** in policy paper creation
- **Over 2,424 individuals trained** in Exports, Industrial Policy Implementation, Public Procurements, Trade Facilitation, Inspections and usage of ENER.

to continue regional trade integration under the auspices of CEFTA (Central European Free Trade Agreement). To date, the Project has supported the self-assessment of Macedonia's level of compliance with the WTO Agreement on Trade Facilitation, organized CEFTA Week 2014, and assisted the preparations for integration of Macedonia into the EU Common Transit Area by organizing study visit to Slovenia for the CA transit coordinators.

4. Institutional Development of InvestMacedonia: development of the Strategic Framework for InvestMacedonia that outlines organizational and functional aspects of the Agency, including the need for development of a performance-based monitoring system; creation of the Web Portal for exports and enhancement of the internal IT structure; trainings and study tours for the export department and economic promoters aimed at achieving more efficient and effective performance of their respective tasks.
5. Export Promotion Support: Organization and implementation of trade fairs and B2B visits (15 events attended by 115 companies); creation of business leads for potential foreign business partners.
6. Export Analyses Support: creation of tools and methodologies for performing assessments for potential exports and preparedness of the companies through development of: Methodology and tool for assessment of the export-readiness potential of export-oriented companies; Survey for identifying bottlenecks for exports at the company level; Market intelligence reports for specific foreign markets entry; and Trainings of InvestMacedonia staff in export analysis methods and techniques.
7. Export Readiness Support: assisted companies in becoming potential exporters through development of General export curriculum for export ready companies; Sectorial export curriculum developed for the apparel sector (first sectorial curriculum); Sectorial export curriculum for the services sector; Guide for Exports; Manual for creation of a branding strategy and support in implementation of the government measure "We are Learning Exports".
8. Export Education and Export Awareness: organization of trainings and workshops for preparation of SMEs for exports; development of "Exporter" – a quarterly electronic newsletter for exports that is available on InvestMacedonia's web site.
9. In the area of support to inspections, IDEAS Project assisted the Inspections Council to develop methodologies and techniques for conducting inspection supervision; worked on developing a comprehensive website to increase transparency and public awareness; supported exchange of information with other countries; and conducted trainings for inspectors.
10. NECC established and operated a national PPD forum as a partnership of 17 chambers of commerce, business associations, academia, with key assistance provided by IDEAS.
11. 84 education trainings, workshops, seminars for 900 public/private sector professionals.
12. Manual on Policy Paper Creation for the Business Community and a Policy Paper Creation Training Curriculum available online for all business associations with training modules provided for over 30 professionals from chambers of commerce.
13. Policy papers for the four leading chambers of commerce.
14. PPP training for over 200 public and private sector professionals in eight cities on ten events to promote public-private partnership opportunities.

15. NECC web-site: www.necc.mk and newsletter.
16. Analysis and upgrade of ENER (visits: 68.000 in 2013; 29.000 from 2008 to 2012). The use of ENER by the public sector rose from 4% in 2011 to 67% in 2013. 1679 regulations were published on ENER by April 1, 2014 with an upward trend.
17. Education on RIA and ENER (over 200 professionals from the public, private and civil sector, over 60 events, trainings, seminars and working meetings).
18. Development of a catalogue of competencies for officials involved in the PP, which will be included in the Overall Catalogue of Civil Servants.
19. Development of technical specification for specialized software for conducting the training (e.g., registration of candidates, test generator, training calendar, training evaluation).
20. Development of an action plan for further enhancement of the e-Procurement system.
21. Finalization and promotion of a model contract for procuring software development.
22. Completion of comparative analysis regarding PPB status, specialized training, and mandatory certification.
23. Technical support for upgrading and proper functioning of the e-procurement system.
24. Facilitation of the process of issuing bank guarantees in electronic form.
25. The process of legal establishment of the project legacy local organization was completed. The name of the local organization is: Center for Development Policy - IDEAS DePo. As of April, IDEAS DePo became a fully functional organization, with registered legal status and financial capacity of a local association of citizens.
26. The new design of the upgraded web page of the TIDZ Directorate was approved by the Director of the TIDZ Directorate, enabling the IT company to continue the development and programming of all website segments.
27. The Project engaged in consultations with the Customs Administration on the best way for strengthening the capacity of transit coordinators. IDEAS organized a five-day study visit to Slovenia for the transit coordinators from the Customs Administration of the Republic of Macedonia. The main objective of the visit was to support the implementation of the EU Convention on Common Transit Procedures and the integration of the Republic of Macedonia into the EU common transit area.
28. Upon request from the Ministry of Economy, IDEAS provided translation of the Protocol for Amending the Marrakesh Agreement on Establishing the World Trade Organization, which was needed for the ratification of the WTO Agreement on Trade Facilitation.
29. Completed the translation of the World Trade Organization (WTO) Agreement on Trade Facilitation (TF). Once completed, the Macedonian translation of TFA was officially submitted to the Ministry of Economy. They have committed to immediately initiate the procedure for ratification of the Agreement.
30. Completed extensive preparations for implementation of the World Customs Organization (WCO) Time Release Study (TRS) in Macedonia. The WCO mission to Macedonia was carried

out by two experts. They were able to elaborate the TRS methodology and present the WCO experience with TRS implementation in other countries.

31. The project and the Council of Inspection Authorities signed a Memorandum of Understanding on their cooperation in organizing and implementing a set of activities aimed at improvement of the inspection supervision system in Macedonia.
32. Identified a local expert to develop a comprehensive report on the technical specifications and requirements for the subject e-Gov solution. The overall process of preparation of the technical specification was concluded with a joint meeting between the Project, IDEAS DePo, the IC and the expert, at which the comments and requests by the IC were defined and incorporated into the final version of the technical specification. IDEAS DePo initiated a tendering process to select an IT company to build the specified solution. The Project completed procurement procedures and later signed a contract with Nextsense. After delivery of all static content by the vendor, the web platform was set in the second half of September.
33. Developed a Manual of Inspection Methodology. The Manual was submitted to the Inspections Council and the State Market and State Labor Inspectorates (SMI and SLI) and a workshop was held to present the Manual to the leading officials of the abovementioned institutions and train them for further transfer of the Inspection Methodologies into their institutions. The finalized Manual provides a framework for organizing and conducting onsite inspections of businesses. The Project translated the Manual into Macedonian.
34. In order to build the capacity of the NECC as a sustainable model for the period after the project completion, IDEAS undertook a series of activities supporting the establishment of the executive office of the NECC. This included hiring two professional staff members and identifying facilities for the NECC.
35. Training for the heads of departments and sectors in the public administration on Regulatory Impact Assessment (RIA) and use of the Unique National Electronic Regulation System (ENER) were held.
36. As a result of continued PPD support to the NECC, the EU through the Instrument for Pre-Accession (IPA) program, confirmed its commitment of 2.5 million Euros for the period 2017-2020 to the NECC as the institution in charge of strengthening the national PPD. This recommendation comes as a strong recognition of the Project's efforts in the past years and a confirmation that the IDEAS approach was the most adequate and sustainable one.
37. On December 11, the IDEAS project organized its close-out event and presented the main project achievements, completed in close co-operation with project counterparts, the Government of Macedonia, and members of the private sector.

“A thriving democracy is dependent on freedom of speech, robust civic engagement, rule of law, an independent judiciary, and well-educated citizens. But these are all enormously difficult to achieve without the support of a strong economy. “

*- Ambassador Baily remarks at the IDEAS
Close Out Event*

COMPONENT A—FOREIGN DIRECT INVESTMENT (FDI) / DOMESTIC INVESTMENT (DI) / EXPORT FACILITATION AND INVESTMENT AFTERCARE IMPROVED

Theme 1: Implementation of the new GoM industrial policy for enhanced inter-ministerial coordination and streamlining of DI, FDI, and aftercare

Year 1

The Project undertook a set of activities for Industrial Policy (IP) implementation and for streamlining domestic investment (DI), foreign direct investment (FDI), and investment aftercare. The main accomplishments were achieved in the following special projects for FY11:

SP-YI-IPI No. 1

- **Hold a workshop on developing a consistent approach in preparing competitiveness programs**
- **Create a monitoring and evaluation framework for industrial policy implementation**

In 2011, the project held two workshops for members of the Inter-Ministerial Expert Group (IMEG) for Industrial Policy Implementation. Based on the work carried out at the events (i.e., input that participating IMEG members provided and statistical data collected thereafter), two key documents were prepared for establishing a more efficient and effective industrial policy: (1) Action Plan for Industrial Policy Implementation, 2012–2013, and (2) Monitoring and Evaluation (M&E) Framework for industrial policy implementation. As final outputs for this activity, the Action Plan and M&E Framework set the grounds for all future activities of the Macedonian institutions and the project in industrial policy implementation. The former identifies not only concrete activities that responsible institutions need to implement in all five IP areas of intervention but also a large number of actions aimed at improving the overall industrial policy implementation structure. The latter contains the M&E methodology and structure, as well as a list of indicators against which the IP implementation should be monitored in the future. Both documents offer recommendations on the steps that the GoM should undertake in the near future to establish a viable, sustainable, and efficient system for IP implementation.



Photo credit: Project staff member

Mateja Mesl, the consultant, provides an introduction on how to develop a consistent approach for preparing the competitiveness programs for IMEG members.

SP-YI-IPI No. 2

- **Conduct a cost-benefit analysis of the benefits available to Technological Industrial Development Zones (TIDZ) investors**

The project conducted an analysis of costs and benefits of two existing investments in TIDZ Bunardzik (i.e., Johnson Controls and Johnson Matthey) in the context of the amount of incentives they received from the Government of Macedonia (GoM) and the effects they produced for the Macedonian economy. The data collection included information about the system of benefits and incentives available to foreign

investors in Macedonia, related legislation, and other investor-specific data (e.g., amounts of duties forgone, incentives actually received, and statistical indications of the impact that these two investments had on the Macedonian economy regarding employment, foreign trade balance, engagement of the local supply base, and other factors).

The outputs of this activity are two deliverables: (1) Report on the Cost-Benefit Analysis of the Incentives Available to TIDZ Investors, which provides an ex-post analysis of the two existing investments; and (2) tailored Excel spreadsheet that enabled Invest Macedonia to carry out ex-ante analyses of potential investment deals by running various incentive scenarios. These documents increased the capacity and competence of Invest Macedonia to engage in negotiations on the commercial terms of all future investments in Macedonia, whether located inside or outside the TIDZ. By enabling Invest Macedonia to make competent investment deals supported by sound and measurable arguments that will subsequently be proposed to GoM for a final decision, this special project (SP) directly influences the effectiveness and efficiency of the FDI process.



Photo credit: Project staff member

Members of the IMEG are working on an exercise on better governance through exchange of information and dialogue.

SP-YI-IPI No. 3

- **Hold an event to build team cohesion, increase industrial policy awareness, and strengthen basic outreach skills among IMEG members, MoE IPCD, and the DPMEA Cabinet**

The project organized a 3-day seminar with an objective of building team cohesion, increasing industrial policy awareness, and strengthening the basic outreach skills of IMEG members, the Ministry of Economy Industrial Policy and Competitiveness Department, and the Cabinet of DPMEA. To extend stakeholder diversity, the Project also invited representatives of the most relevant CoCs in Macedonia. The Center for Socio-Economic Development (CSEND) designed and led the seminar. CSEND has impressive experience in designing and implementing comprehensive institutional development and capacity-building programs leading to the adoption of best managerial practices in the public sector.

The seminar offered participants an opportunity to learn more about IP and the importance of the coordination and collaboration in its context through use of various didactic methods (e.g., stakeholder mapping, analysis of case studies, and simulation exercises). The seminar's principal accomplishments were that it increased participants' knowledge about IP issues and strengthened the links among the IP implementing institutions, which are expected to result in more efficient and effective coordination and collaboration in the future.

SP-YI-IPI No. 4

- **Design and draft functional requirements for a web solution that will offer comprehensive and organized information about industrial policy competitiveness programs**

Because of the short duration of Project Year I and the extended efforts invested in implementing other industrial policy initiatives, the project moved this activity to the second year of implementation.

SP-YI-IPI No. 5

- **Conduct a comprehensive baseline assessment of the current system for foreign investment facilitation and aftercare**
- **Research and document international best practices for FDI facilitation and aftercare**
- **Develop and design options that are the most suitable for Macedonia, which will be presented to GoM**

In September 2011, the Project and USAID mission revisited this SP in light of new developments that occurred after June 2011 parliamentary elections in Macedonia—namely, in establishing the institutional structure for the next 4-year period, the Government confirmed its determination to maintain the existing model of multi-institutional treatment of the FDI issues, which includes the Agency for Foreign Investments, FDI ministers, and Directorate for Technological Industrial Development Zones. It also appointed a second minister for FDI.

In discussions with USAID, it was determined that it would not be productive for the Project to initiate an assessment of the institutional FDI set up that GoM had just re-enforced. The Project focused instead on the system of aftercare activities that Invest Macedonia implemented but were very weak.

Other Component Activities

- Assess the current functioning of the system for industrial policy implementation to identify potential areas of assistance
- Based on the assessment, propose actions aimed at strengthening the role and the capacity of MOE IPCD to perform its responsibility related to industrial policy implementation
- Based on the assessment, develop charter and work program for IMEG, including clear operating rules and procedures, efficient internal structure, and specific roles and responsibilities.

The above three activities are linked closely to the work that took place under SP-YI-IPI No. 1, and the implementation was occurring concurrently. In fact, the assessment of the existing system for industrial policy implementation was carried out as part of the process of identifying the organizational structure necessary for implementing the Action Plan for 2012–2013 and the Monitoring and Evaluation Framework for Industrial Policy Implementation.

YEAR 2

Under this component, in FY12 the Project implemented activities grouped in two subcomponents: Subcomponent I – Industrial policy implementation support to the GoM and Subcomponent II- Support to the process of streamlining of investment procedures.

Subcomponent I – Industrial Policy implementation support to the GoM

Under subcomponent I the Project continued to assist the Ministry of Economy (MoE) and the Deputy Prime Minister for Economic Affairs (DPMEA) in strengthening the overall system for industrial policy implementation. Assistance activities focused on three aspects of the implementation process: institutional capacity and related procedures for IP implementation; improvement of the level and quality of information that companies receive on the available competitiveness programs and measures; and financial support for specific IP measures under existing government competitiveness initiatives. These activities were implemented through three special projects. The main accomplishments achieved in the projects are described below.

SP-Y2-IP1 No.1 - Support strengthening of the coordinative and implementation capacities for industrial policy implementation

The overall goal of the assistance activities in this area was to strengthen the institutional structure and develop rules and procedures that will increase the efficiency and effectiveness of the policy making process and improve the quality of the implemented competitiveness programs and measures. In furthering this goal, the project planned to focus on strengthening the current IP-related mechanisms for inter-agency coordination, enhancing the private sector consultations, and establishing a viable system for monitoring and evaluating IP implementation.

The SoW was approved in December 2011. In the course of the first quarter of 2012, the Project staff carried out an extensive desk research to collect resource materials necessary for the drafting of rules and procedures for industrial policy implementation and started to design the concept and the structure of the respective document. However, as the development of the procedures was part of the Action Plan for IP Implementation 2012 – 2013 whose drafting was supported by the Project and this document was in a process of adoption by GoM, the Project in consultations with USAID postponed further work in this area until the completion of the adoption procedure.

The Action Plan was adopted in August 2012. As part of the Action Plan, GoM also adopted the framework for monitoring and evaluating the industrial policy prepared by the Project and the Ministry of Economy. Although the endorsement of the Action Plan reaffirmed the commitment of GoM to continue to work on the implementation of the industrial policy, at the end of September the Project sought additional confirmation from MoE and particularly DPMEA so as to their need for assistance in this area. As result of the lack of specific commitment by GoM and in light of the future Project plans to significantly reduce assistance activities in the area of IP implementation (confirmed and recommended by the external mid-term evaluation completed in December 2012), the Project in consultations with the USAID Mission and the Ministry of Economy decided not to proceed with the implementation of this SoW and to exclude it from its plans for 2013.

Although the activities included in this SoW were not implemented, the Project still accomplished tangible results in supporting the industrial policy implementation process through activities whose implementation was initiated in year 1 and completed in the course of year 2. The main accomplishments in this regard were the preparation of the Action Plan for IP implementation 2012 – 2013 and the accompanying Monitoring and Evaluation Framework, both adopted by GoM in August 2012. As a direct result of the capacity building activities and the advice provided, the GoM decided to immediately implement two important recommendations contained in the Action Plan 2012 – 2013, namely:

- Integrate the support to Macedonian companies so far implemented through three competitiveness programs implemented by the Ministry of Economy (Program for IP Implementation, Program for Developing the Entrepreneurship, Competitiveness and Innovation of SMEs and Program for Supporting Clusters) into one large program for 2013 (Program for Competitiveness, Innovation and Entrepreneurship) thus creating conditions for leveraging, increasing the focus of the measures and facilitating the access to the support by companies.
- Include specific support to IT industry firms in the program so that they may introduce standards required to become more competitive on the domestic, regional and global markets. Although the funds provided under the program are still fairly low, the IT industry represented by the IT chamber MASIT was very much satisfied with the fact that the assistance to its members was included in a government program.

SP-Y2-IP1 No. 2 - Increase the awareness of the private sector on launched IP initiatives and improve private sector access to the available assistance

The general objective of this activity was to improve the access to information on industrial policy initiatives for the business community, particularly SMEs and facilitate the application procedures for the incentives available under various programs, as well as to contribute to the efficiency and transparency of the process of monitoring of industrial policy implementation by enhancing the collection of information and data on the performance and outputs for all programs developed under its auspices.

The SoW for this activity was approved in January 2012. On February 1, 2012, the Project Director and the Minister of Economy signed a Memorandum of Understanding specifying the details of the mutual cooperation in the development of the web portal KonkurentnostMK.

Concurrently with the tender procedure, the Ministry of Economy completed the process for official establishment of the working group that would be working on the portal. The group comprised representatives of the following nine institutions: Ministry of Economy, Cabinet of the DPMEA, Ministry of Education and Science, Ministry of Information Society, Ministry of Local Self-government, Ministry of Environment and Spatial Planning, Agency for Entrepreneurship Promotion, Invest Macedonia and Secretariat for European Affairs. The establishment of the group was formally approved by the Government of Macedonia on April 17, 2012.

The development of the software was completed and formally promoted in November. In December, the Project and ULTRA organized and delivered three trainings for the users of the portal: in-depth training for the employees of the Ministry of Economy and two trainings for the representatives of other government institutions who will be posting information at KonkurentnostMK. In addition, the Project prepared a promotional brochure with basic information on KonkurentnostMK. The brochure was distributed through the most prominent Macedonian economic magazine, Kapital, coinciding with the “go live” date of the web portal.

SP-Y2-IP1 No. 4 - Support the implementation of specific measures under the Program on Industrial Policy Implementation 2012

Project assistance in this area was designed after a series of meetings with the representatives of USAID Macedonia, the Ministry of Economy and the Cabinet of the Deputy Prime Minister for Economic Affairs as part of the consultative process for identification of specific industrial policy initiatives/measures to be financially supported with project funds. All involved parties supported the initiative to allocate the amount of \$40,000 for the implementation of measures for improvement of the productivity and

efficiency of Macedonian companies contained in the Program for Industrial Policy Implementation 2012. The Program provided the legal grounds for allocation of financial assistance to Macedonian companies for improvement of their productivity and efficiency, as well as market expansion.

More specifically, the Agreement established the terms and conditions for provision of financial support by the Project to Macedonian companies for implementation of specific competitiveness measures defined in the Program. It further stipulated that the application and selection of companies were to be carried out by the Ministry of Economy with active participation from the Project while the financial assistance was to be transferred to the selected companies directly by the Project.

The Project published a public call to invite companies to apply for the financial assistance on the websites of the Ministry of Economy and the Project, as well as in daily newspapers and economic magazines.

On July 31, 2012, the Minister of Economy adopted a decision establishing a three-member committee responsible to review the applications submitted by companies and decide on the distribution of funds. Based on the public call, in the period August – December 2012, the Ministry received a total of 17 applications by Macedonian companies seeking compensation of expenses made for activities under the two measures provided in the Program (Measure 1- capacity building and product development, Measure 2 - market development). The applications were reviewed by the committee on several occasions, on a “first come, first served” basis and three official meeting minutes were prepared. The result is the following:

- By the end of December 2012, all funds available for implementation of this SoW (total of 1,914,000 MKD or app. \$40,000) were allocated and transferred by the Project to ten companies based on decisions signed by the Minister of Economy for 12 positively resolved applications. Of the 10 recipient-companies, three are located in Skopje, two in Stip, two in Sveti Nikole, while the remaining three have headquarters in Bitola, Kavadarci and Delcevo. In terms of size based on the number of employees- one is large, five are medium and four are small companies.
- The remaining five applications were denied assistance due to lack of funds (three applications were submitted upon the exhaustion of funds) and procedural defects or inappropriate activity (two applications).

Subcomponent II – Support to the process of streamlining of investment procedures

SP-Y2-IPI No.3 - Assist streamlining of regulations and procedures for obtaining visas and work permits

The objective of this activity was to assist the Government of Macedonia in streamlining the regulations and procedures for obtaining visas and work permits for directors, managers and employees working for foreign-owned companies in Macedonia, both in and outside the Technological Industrial Development Zones (TIDZs). Under this SoW, the Project was cooperating with the World Bank in assisting GoM to carry out an assessment of the current system of visas and work permits with a view of identifying weaknesses and streamlining the issuance process. The two donors leveraged their efforts and jointly provided the requested resources, i.e. the World Bank contracted the international consultant for this assignment while IDEAS provided the necessary local expertise.

In addition to the collection of necessary data, the Project actively participated in the drafting of the final report under this activity carried out by the WB international consultant by providing input on the

substance of the document in terms of both the current state of affairs and the recommendations for streamlining of the work permits regime.

On June 28, 2012, the Government of Macedonia adopted the amendments to the Law on Foreigners and the Law on Employment and Work of Foreigners that were developed based on the recommendations submitted to them by the World Bank and USAID (Official Gazette 84/2012). The amendments reflect some of the recommendations thus providing streamlining of the work permits and visa procedure. However, the amendments stipulate that most of the simplified procedures are available only to investors “that carry out activities that are of substantial importance for the investing process in the Republic of Macedonia” but they do not provide the criteria for determining who these investors are, indicating that this will be done by a separate law. The Project and the World Bank did not envisage that the amendments would introduce significant improvements in the work permit and visa procedures.

SP-Y2-IPI No.5 - Carry out a survey to assess investors’ aftercare expectations and needs

In the past several years, Macedonia has demonstrated strong performance in promoting its investment climate and in offering attractive investment packages to potential investors. The country has however underperformed in setting up an appealing and efficient aftercare system aimed at maintaining a high level of satisfaction among investors and encouraging them to engage in future investments. Recognizing the institutional and qualitative deficiencies in the current aftercare system, during the discussions relating to the preparation of the Project’s work plan for year 2, Invest Macedonia specifically sought assistance to improve the quality of its aftercare services. For this year, they requested assistance in carrying out an investor survey to assess the satisfaction of the investors already operating in Macedonia with the current aftercare system and suggestions for improvement of the quality of aftercare services.

The survey of foreign investors started in the second half of September 2012 and was completed by mid-October 2012. Interviews included eleven companies selected based on several criteria that were discussed and agreed with Invest Macedonia and the TIDZ Directorate. Namely, the survey dominantly focused on foreign investments in manufacturing and greenfield investments (9 of 11 companies). Additional criteria were the specific sector (7 of 11 companies were from the automotive industry which was the focus of the GoM investment promotion efforts in the previous five years), the location of the company (five of the seven companies currently operating or setting up in one of the TIDZs) and the geographical diversity of the sample. Interviews were carried out in person or electronically (depending on the preferences of individual investors) following a structured questionnaire prepared by the Project and Invest Macedonia. The data presented extremely valuable input for the final report on aftercare services in Macedonia.

In addition to the information collected at the meetings with the GoM institutions involved in aftercare and with the survey, extensive desk research of best practices in this area was completed and illustrative best case examples were identified for a majority of recommendations provided in the report.

SP-Y2-IPI No.6 - Capacity Assessment and Identification of Pilot Municipalities for Introduction of Electronic Construction Permitting System as a First Stage of the Business Licenses One-Stop-Shop (OSS)

At the end of May 2012, the Project received a request from the Deputy Prime Minister for Economic Affairs to assist in the preparation of an assessment of the capacities of municipalities for introduction of electronic construction permitting system, as a first step of introducing comprehensive one-stop-shop for business licenses.

Activities under this SoW were implemented by a team of three local experts with an expertise in several relevant areas, such as construction permitting, urban planning, legal issues, community development, human resource management and ICT. The main objective of the assistance was to assess the capacity of municipalities to introduce and implement an electronic system for construction permits and to select a limited number of municipalities in which the respective software, once developed by GoM, will be piloted.

The assessment followed a three-stage process: 1. Distribution of a tailored questionnaire to all 84 municipalities to collect information on their basic resources in the area of construction permitting procedures as well as their ICT capacities (the turn-out to the questionnaire was an impressive 87%), 2. Personal visits to 27 municipalities short-listed by the consultants based on the data collected in stage 1, and 3. Identification of eleven municipalities in which the software for electronic construction licenses should be tested and piloted, based on a list of criteria specifically elaborated in the report. The assessment was completed and the report providing findings on the municipal capacities and identifying eleven pilot municipalities was submitted to the Cabinet of the DPMEA for review.

YEAR 3

As set out in the Year Three Work Plan approved by USAID in February 2013, the Project significantly reduced its support to the industrial policy implementation process and shifted the majority of its resources to assistance in the aftercare area for the following reasons:

- A new industrial policy support project funded through the EU IPA (Instrument for Pre-Accession) was expected to start in the course of 2013. This assistance opportunity was initiated by the Ministry of Economy in 2010 and was thus in the pipeline since the beginning of IDEAS in 2011. The fact that the industrial policy process was expected to benefit from additional donor assistance starting in 2013 was fully taken into consideration during the IDEAS long-term strategic planning process and was consequently reflected in the Year Three Work Plan.
- The mid-term external evaluation of the work of the Project completed in December 2012 strongly recommended intensification of the assistance efforts in the area of aftercare support during the two remaining years of implementation.
- In the fall of 2012, the Project carried out a survey of the largest foreign investors in the country and discussed the issue of the current aftercare system with all relevant government institutions. The findings of the report unequivocally diagnosed weaknesses in the institutional and human capacity for provision of aftercare services and recommended an urgent set of actions for improvements in this area.

Subcomponent 1 Industrial Policy implementation support to the GoM

I. Support the operation and functioning of the web portal KonkurentnostMK

The web portal KonkurentnostMK was officially launched on January 15, 2013. It raised considerable interest among the business community, donors and government institutions. By the end of September, i.e. in the first nine months of its operation, KonkurentnostMK generated 58,200 visits.

Since its launch, the Project and the Ministry of Economy have invested significant efforts in promoting the portal and informing target groups as well as the general public of its role and contents. Along these lines, the MoE forwarded details of the launch of the portal to all chambers of commerce for further dissemination among their members. It also informed all government institutions involved in economic policy-making. Meanwhile, the Project distributed information to donors in Macedonia.

As part of the promotion process, the Project arranged a thematic interview in the economic magazine KAPITAL in which the Minister of Economy, Valon Saraqini, and Gordana Toseva spoke about the objectives of the portal and the benefits it provides to its various users. IDEAS developed an article on KonkurentnostMK for InStore - a magazine distributed in the form of 45,000 free-of-charge copies to businesses throughout Macedonia. The article appeared in the July-August 2013 issue of InStore. Concurrently with promotional efforts, the Project continued to work on expanding and improving the functionalities of the portal, making it friendlier to end-users and further promoting it to the business community.

SP-Y2-IPI-#2a - Development of additional language localization to enable posting and appearance of the portal content in Albanian language

The Project implemented this activity in response to a specific request by the Ministry of Economy, submitted to the Project in early January 2013. Its main objective was to make all KonkurentnostMK contents available to Albanian-speaking users. In late January, the Project signed an annex to the original contract with the software developer ULTRA for implementation of the software modifications needed to enable bilingual functioning of the portal and contracted a translator who prepared Albanian translations of all identified portal contents, as well as of the promotional brochure. Upon the completion of the contracted activities, KonkurentnostMK became available in Albanian on February 6, 2013.

SP-Y2-IPI-#2b - Development of an additional module for the Business Idea Contest

The Ministry of Economy submitted another initiative for further upgrading of the web portal KonkurentnostMK which related to the development of a separate module for the Business Idea Contest organized by the Ministry of Economy as part of its support to young entrepreneurs. The module would enable the electronic submission of business idea applications, as well as the public announcement of the list of business ideas selected by the selection committee for further support by MoE and the Agency for Promotion of Entrepreneurship.

Immediately after completion of the legal aspects of the engagement, the software developer ULTRA started to work on developing the module for the electronic submission of applications for the Business Idea Contest. The selection committee reviewed the 108 applications and the list of the best business ideas to receive comprehensive business development training by the Ministry of Economy and the Agency for Promotion of Entrepreneurship was published on KonkurentnostMK. In April, the software developer ULTRA and the Project organized a short training for two employees of the Ministry of Economy in order to train them on the basic information features of the Business Idea Contest module and on how to use it in the future. The training included a presentation of the related user manual.

SP-Y3-IPI-#3 - Promotion of e-government solutions supported by IDEAS to the business community

This scope of work included promotion of e-government solutions developed under all three components of the IDEAS Project and was thus implemented as a cross-component activity. It involved the organization of three promotional events for the business community through the chambers of commerce in three cities in Macedonia. Summary information on the three promotional events appears in the section on PPD Component B under SP-Y3-PPD-#1.

Subcomponent II- Support GoM in establishing efficient and effective aftercare services

2. Facilitate and enhance coordination and collaboration among various stakeholders relevant to the efficient functioning of the system of investor aftercare

During Year 3, IDEAS held several meetings with the directors of InvestMacedonia and the TIDZ Directorate along with their staff. One of the key issues raised and discussed at these meetings was the need for enhancing the collaboration and cooperation among various stakeholders in the aftercare process. As result of these discussions actions were agreed in the following areas:

- Cooperation between InvestMacedonia and the TIDZ Directorate. The two institutions expressed an interest in signing a Memorandum of Understanding and Cooperation. The document was drafted by the Project and submitted to the two institutions for revision and comments. The MoU identified the areas of cooperation between InvestMacedonia and the TIDZ Directorate and provided for establishment of an aftercare working group consisting of the directors and the employees of both parties to serve as a forum for coordination of all activities that require their mutual involvement. Though the two institutions had no objections on the draft MoU proposed by the Project, the document was not signed due to reasons that were more personal than institutional in nature.
- Enhancement of the cooperation between InvestMacedonia and the investor community. InvestMacedonia was fully aware of the need to further develop their dialogue and cooperation with the investor community in various areas of the aftercare process. For this reason and with the support of the Project, they made several attempts to engage in a more substantial cooperation with the Foreign Investors Council (FIC) and other similar investor associations. These efforts were somewhat delayed due to the personnel changes in the FIC management. Nevertheless, in September 2013 InvestMacedonia made a major step in this area by organizing a meeting with twelve investor associations in Macedonia, including FIC, to discuss their involvement and cooperation in the implementation of specific aftercare activities. This initiative of InvestMacedonia was received extremely positively by the participants at the meeting (all but one association were represented) who committed to closely collaborate with the agency for the benefit of their members.
- Improvement of the cooperation with other government institutions. In this regard, InvestMacedonia undertook to reiterate a process that started in 2010 by sending letters to each of the relevant ministries and agencies requesting that they appoint respective contact persons for FDI-related procedures and areas of operation. The collection of these data was successfully completed in July 2013. As a next step, InvestMacedonia prepared a comprehensive list of contacts in each of the relevant institutions, distributed the contact information to the relevant aftercare staff and began establishing closer contacts with the respective institutions in order of priority.

3. Assist InvestMacedonia and TIDZ Directorate in defining a core set of aftercare services to be offered to foreign investors

The issue of defining a realistic set of aftercare services has been discussed with InvestMacedonia and the TIDZ Directorate at all formal and informal meetings held so far. The situational analysis carried out by the Project concluded that when it comes to aftercare, these two institutions significantly differ in terms of concrete responsibilities, capacities and most importantly the respective users of their services. While the TIDZ Directorate provided aftercare services to a strictly defined and fairly small number of investors located in the TIDZs, InvestMacedonia faced serious challenges in identifying the target investors, as well as in defining the specific services it should provide to them.

To address this, the Project articulated, together with the InvestMacedonia aftercare team, a list of possible core aftercare services that the agency has the capacity to provide to investors in the first

phase of the process. Beyond specific services, discussions included the modalities of capturing and elaborating the selected services in an institutionally sound and structured manner. Based on these discussions, and relying on knowledge of the Polish aftercare experience gained during the May 2013 study visit, the Project embarked on drafting for InvestMacedonia a document with a working title Aftercare Manual.

The concept of the Aftercare Manual was developed at the beginning of September and its first draft completed by the end of the month. The document was designed to have both an educational and practical role, i.e. to provide the InvestMacedonia aftercare staff with all relevant information needed to plan and implement comprehensive aftercare activities and to guide them through the process. The Manual makes an attempt to, *inter alia*, define the goals of all InvestMacedonia aftercare activities; determine the necessary preconditions for their successful implementation; identify needed resources; and list and describe all potential aftercare services that should be provided by the agency to foreign investors in the medium term. It was completed in the first half of October and served as a foundation for the first annual work program prepared by InvestMacedonia for 2014.

4. Assist InvestMacedonia and TIDZ Directorate in developing a foreign investor database

One of the main preconditions for the execution of efficient and targeted aftercare activities is a comprehensive database of major foreign investors. Since such a database was not in place, its establishment was identified as a critical need in the context of Project's aftercare assistance. Specific activities needed for the successful implementation of this effort included assistance to InvestMacedonia in determining the scope of the database, selecting the methods for collection of the needed information, and developing the IT tools for data management.

The proposed main instrument for collection of information for the database is a tailor-made registration form set to be distributed to potential foreign investors through various channels. The draft registration form was prepared by InvestMacedonia and the Project in the course of July and August 2013. The work included drafting of the form, content and language editing, translation into Macedonian (it was decided that investors would have the option to fill in the registration form in either English or Macedonian) and introduction of a technical possibility for the form to be filled in electronically and automatically submitted.

On September 20, 2013 InvestMacedonia organized a meeting with twelve investor associations to discuss opportunities for future cooperation. One of the specific issues raised at the meeting was the active participation of the invited associations in the process of collection of information for the database of major foreign investors; i.e., they were asked by InvestMacedonia to distribute the database registration form to all their members that satisfy the foreign investor criterion set therein. The participating associations received the initiative for establishment of the database positively and committed to cooperate with InvestMacedonia on this matter. They also praised InvestMacedonia's plans to be more active in the area of aftercare, emphasizing that more efficient and effective services would be highly beneficial for their members.

5. Capacity building for efficient aftercare

SP-Y3-IP1-#1 - Capacity building workshop for InvestMacedonia and the TIDZ Directorate

The scope of work was approved by USAID on February 25, 2013, as a joint activity of IDEAS' components on aftercare and export promotion. The third partner in the delivery of the workshop was USAID's AgBiz Program. The workshop agenda, the speakers and the venue were identified and agreed upon in close cooperation with InvestMacedonia and the TIDZ Directorate.

The workshop took place March 13-15, 2013 in Mavrovo. It included 25 participants from InvestMacedonia and five participants from the TIDZ Directorate, including the directors of both institutions. The workshop agenda consisted of half-day presentations and interactive discussions per each of the following topics: export promotion, aftercare, time management and client management.

SP-Y3-IPI-#2 – Aftercare study visit

The Project identified potential agencies that would be appropriate to host the Macedonian delegation during the study visit. The selection process was based on a set of criteria established by the Project, InvestMacedonia and the TIDZ Directorate as beneficiary institutions. The process resulted in the selection of the Polish Information and Investment Agency (PAIilZ). PAIilZ was contacted by the Project and immediately agreed to host the Macedonian delegation.

The Project organized all logistical details of the trip, including lodging, travel and transport. Concurrently, the Project discussed with PAIilZ the substantive part of the study visit, which included identifying institutional and investor representatives who should meet the Macedonian delegation, as well as drafting the agenda. To facilitate this process, the Project sent an exhaustive list of topics and issues of interest for the Macedonian professionals participating in the visit to PAIilZ.

The final agenda for the visit included the following: meeting with the President of the PAIilZ management board and the board member responsible for foreign investments and business promotion; presentations by the heads of the PAIilZ sectors key for aftercare activities; a presentation by the Polish Ministry of Economy; meeting with the executive director of AmCham Poland; and a visit to one of the largest foreign investors in Poland, Danfoss Denmark. PAIilZ also arranged for a short presentation of Macedonia's investment climate and the country's efforts to attract foreign investments for its staff.

In addition to the meetings organized by its Polish counterparts, the Macedonian delegation also met with H.E. Fatmir Xheladini, the Macedonian Ambassador to Poland and Ljupco Mihajlovski, the economic promoter of Macedonia for Poland, Hungary and the Czech Republic. The general impression from the study visit expressed by Macedonian participants was very positive. All meetings were very informative and relevant to the future aftercare activities of InvestMacedonia and the TIDZ Directorate. They were also interactive, giving the participants a chance to inquire about the Polish experience in the field of investment promotion and investor servicing. It is worth noting that the Polish counterparts were very forthcoming and open in elaborating their practices and sharing with their Macedonian colleagues both successes and challenges. As a result, the Macedonian delegation considered the visit highly relevant and useful for its future work.

Inclusive Growth Diagnostic (IGD)

The USAID Mission in Macedonia initiated IGD in February 2013 as a comprehensive research effort aimed at identifying the main constraints to economic growth in the country. A team of economists from USAID Washington, assisted by a group of local specialists from USAID Macedonia, conducted the research. The role of the Project staff was to identify and provide information, data and materials needed for some of the IGD research areas and to review, from a local perspective, the draft IGD document. The preparation of the diagnostic started in March 2013, with the first visit of the Washington team to Skopje; the first draft of the report was completed in the second half of May. The initial IGD findings were presented to relevant stakeholders from government, business and civil society in early June. The final version of the Inclusive Growth Diagnostic Report for Macedonia was received by the Project at the end of August 2013.

The IDEAS Project Year Four Work Plan makes an attempt to address some of the policy areas identified by the IGD Report as crucial for the future growth performance of the Macedonian economy.

YEAR 4

The assistance provided by this component in year 4 was dominantly targeted at strengthening the institutional and human capacity of InvestMacedonia and the TIDZ Directorate as two main government agencies for promotion of FDI and servicing of foreign investors to perform, within their respective responsibilities, efficient and focused aftercare services thus encouraging foreign investors in Macedonia to make new investments and reinvestments and motivating them to intensify and increase supply linkages with local SMEs.

Given the different assistance needs of the two institutions, the Project has implemented tailored sets of activities for each of them (the main implementing partner for each activity is usually referenced in the title). However, some of the activities were implemented for the mutual benefit of both InvestMacedonia and the TIDZ Directorate.

Of all the activities included in the Project Y4 work plan for this component, two were cancelled due to changed circumstances and in close consultations with USAID. The organization of the event for promotion of linkages between FDI and local SMEs was cancelled because GoM independently organized two similar events within a very short period of time thus rendering the Project idea for another such event exhausted. The two trainings for improving the competitiveness of selected Macedonian companies were not organized because by the time of their implementation, following the main USAID priorities the Project shifted the assistance focus towards the area of trade facilitation.

All funds released from the two cancelled activities were used for additional assistance efforts identified and implemented in close consultations with USAID and the main beneficiary institutions, namely:

- Organization of the WTO Trade Facilitation Self-Assessment Workshop in cooperation with USAID Washington.
- Development of a new modern website for the TIDZ Directorate that will significantly increase the quality of their services provided to the investors.

SP-Y4-IPI-#1 - Printing of aftercare manuals for InvestMacedonia and the TIDZ Directorate

The Project developed and printed the Aftercare Manual for InvestMacedonia - a document identifying and elaborating all potential aftercare services that should be provided to foreign investors by the agency in the future. The Manual was designed to serve as a framework for the annual planning of aftercare activities and was expected to give InvestMacedonia background information on every potential aftercare service and facilitate the process of planning their implementation.

During January, the Project worked on preparing the text of the Manual for printing, as elaborated in SP-Y4-IPI-#1 – Printing of Aftercare Manuals for InvestMacedonia and the TIDZ Directorate that was approved by USAID on December 19, 2013. The printing process was completed and forty copies of the Manual were delivered to InvestMacedonia on February 5 for use by agency's aftercare employees.

The main objective of the Manual was to facilitate the process of short-term planning of aftercare services. In 2014 InvestMacedonia proceeded with the development of an annual aftercare program based on the procedural and substantive guidelines provided in the Manual. The annual program

prepared by InvestMacedonia identified all activities to be implemented by the agency in the area of aftercare - both interventions for strengthening of the overall aftercare system and for implementation of specific aftercare services. For each activity, the program elaborated implementing steps, implementing partners, necessary resources and performance indicators. Implementation of some of the activities identified in the program was supported by the Project in the course of 2014 and they are elaborated in respective parts of this report.

As part of the assistance for establishing more structured and efficient aftercare services, the Project also prepared two types of forms for InvestMacedonia that the agency will use for recording its activities, both at an individual and organizational unit level. Regular entry of data in these forms will provide the agency the information and data necessary to permanently monitor aftercare outputs and employee performance.

Database of major foreign investors (InvestMacedonia)

Maintaining a database of major foreign investors is one of the key preconditions for effective provision of aftercare services. A structured and organized set of information on the major foreign investors operating in Macedonia will provide InvestMacedonia with valuable information on the potential clients of its aftercare services and significantly facilitate the delivery of those services.

The Project assisted InvestMacedonia in defining the questions and drafting the form (in English and Macedonian) needed for registration of foreign investors in the database. InvestMacedonia continued to contact foreign investor associations and individual foreign investors in an attempt to increase the number of entries into the database. Along these lines, agency representatives attended the last meeting of the assembly and the management board of the Foreign Investors Council (FIC) and once again called upon its members to complete the database entry form. Upon request by InvestMacedonia and in order to further support the process of data collection, the Project also undertook to directly reach out to some investors on behalf of the agency. As a result of these activities, many responses to the questionnaire were submitted in a timely manner; however, the collection of data for the database of foreign investors and its updating will be an ongoing process that will be taking place in the coming years.

InvestMacedonia has developed a separate spreadsheet where it enters all data received from foreign investors. The spreadsheet has been developed to easily enable export of the data into the agency's CRM. The establishment of a credible database of foreign investors is expected to significantly improve InvestMacedonia's performance in the area of aftercare by enabling the agency and other government institutions to reach out to, and communicate with, all relevant foreign investors and distribute relevant information to them in a more efficient and comprehensive manner.

SP-Y4-IP1-#2 – Establishing database of potential domestic suppliers – first phase

Under the scope of work, two consultants were contracted by the Project to collect and verify information on Macedonian companies from the light manufacturing sector that have the potential to cooperate with larger investors in the country. In cooperation with beneficiary institutions and the Project, consultants developed a specially-tailored two-part questionnaire for collection of data for the database: 1. Information on the sector, size and capacity of each company, and 2. Companies' development needs, i.e. what type of support the respective company needs to improve its efficiency and productivity (technical upgrading, standard certification, training, access to markets, etc.).

The collection of data began in March and was completed at the end of May. The consultants submitted the final report to the Project for review and comment at the beginning of June. The report described

the work carried out by the consultants, explained the methodology used for collection of data and presented a brief statistical analysis of the information entered in the database. The total number of companies included in the database was 160, all operating in the light manufacturing sector. In addition to the report, the consultants delivered to the Project the key deliverables agreed in the respective scope of work and contract.

- Spreadsheet table of 160 Macedonian companies from the light manufacturing sector, including all relevant company data (contact information, number of employees, turnover and export values, technical capacity, certifications, past experience, references). The Spreadsheet form of the database enables InvestMacedonia and the TIDZ Directorate to search through the data and categorize companies based different criteria (geographical location, product/service, size, etc.)
- Set of individual profiles of each company in pdf form. Profiles are used to present individual companies to interested investors.
- Spreadsheet table of the development needs of all companies that provided data in this part of the questionnaire. Data on needs for assistance in technical upgrading, standard certification, training, access to markets, etc. is a valuable source of information to relevant government institutions that are working on supporting the competitiveness of Macedonian companies.

The database and related information were presented to the representatives of InvestMacedonia and the TIDZ Directorate on June 12. At the presentation, the consultants and the Project discussed with the beneficiary institutions the types of data collected and how they could use it to further promote the development of business linkages between foreign investors and Macedonian companies. The need for further expansion and regular updating of the database was specifically emphasized. On June 13, the database and relevant documents were officially delivered on a digital video disc to the directors of InvestMacedonia and the TIDZ Directorate.

Questionnaires for regular collection of information from foreign investors for InvestMacedonia

The main objective of this activity was to assist InvestMacedonia to improve the quality of its communication with foreign investors and expand the quantity of data related to their satisfaction with the investment climate and the provided aftercare services. To achieve this, the Project developed two questionnaires for the agency that are used for regular collection of information from foreign investors. The first questionnaire is used to assess the satisfaction of foreign investors who use InvestMacedonia's aftercare assistance with the quality and efficiency of the provided services. The second evaluates the opinion of investors on the overall investment climate in Macedonia.

Upon finalizing the texts of both questionnaires, the Project procured IT services for development of interactive versions of the questionnaires that enable the agency to distribute them and collect information exclusively in electronic form. By the end of September the interactive versions of the questionnaires were finalized and submitted to InvestMacedonia.

SP-Y4-IPI-#3 - Aftercare Assistance to the TIDZ Directorate

The comprehensive package of assistance activities for development of the aftercare function was agreed between the Project and the Directorate for Technological-Industrial Development Zones (TIDZ Directorate) in January 2014. For the purpose of efficiency, all identified and agreed activities to be provided to the TIDZ Directorate in 2014 were elaborated in a single scope of work with a reference number SP-Y4-IPI-#3. The scope of work was approved by USAID on February 19, 2014.

The only two assistance activities for the TIDZ Directorate that were implemented outside SP-Y4-IPI-#3 were:

- Drafting and printing of the Aftercare Manual for the TIDZ Directorate implemented under SP-Y4-IPI-#1. Although part of SP-Y4-IPI-#1, this activity is reported below, as part of the overall Project assistance to the TIDZ Directorate.
- Establishment of the first segment of the database of domestic suppliers implemented under SP-Y4-IPI-#2. Although the database was developed for the benefit of both InvestMacedonia and the TIDZ Directorate, activities are reported only once, under SP-Y4-IPI-#2.

Drafting and printing of the Aftercare Manual for the TIDZ Directorate

As provided in SP-Y4-IPI-#1, in January the Project completed the draft of the Aftercare Manual for the TIDZ Directorate. The document was based on the text of the manual prepared for InvestMacedonia, but it reflected the specific needs and responsibilities of the TIDZ Directorate in the area of aftercare. Once completed, the Aftercare Manual for the TIDZ Directorate was printed and 40 copies were officially delivered to the TIDZ Directorate in March 2014. As part of the assistance for establishing more structured and efficient aftercare services, upon their specific request the Project prepared two forms that the directorate uses for recording its activities at individual and organizational unit levels. Regular entry of data in these forms provides the TIDZ Directorate the information and data necessary to permanently monitor outputs, results and employee performance in the area of aftercare.

Software module for electronic announcement of arrival of goods to TIDZs

The main objective for developing the module was to enable online submission of the data and composition of forms needed for entry of domestic goods into the technological industrial development zones. The forms are required from the companies that are delivering goods to foreign investors located in the zones. Prior to delivery of the goods, the companies need to register online through the website of the TIDZ Directorate and complete the necessary forms with all legally required information on the shipment. Once the goods arrive at the zone entrance, the zone employee and the customs officer will already have the data in the system and will simply need to print the forms out and properly stamp them thus allowing entry. This process is expected to significantly shorten the time needed for release of shipments and save time and costs both for the companies and the respective authorities.

The Project completed the procurement procedure and drafted the contract for engagement of the IT company I-DEX selected to work on the implementation of the software. As articulated in the implementation plan, the development of the software modules included functional assessment, database design, web interfaces design, software development, testing, debugging and training.

Upon the finalization of the modules at the end of June 2014, the Project requested that the TIDZ Directorate officially confirm that the modules are operational and that they fully comply with the initial functional requirements. An official letter confirming that “the IT company I-DEX satisfactorily completed the work under the contract and that the software modules are implemented and fully functional and operational” was submitted by the Director of the TIDZ Directorate to the Project on July 17 enabling formal completion of this activity.

Upgrades to the TIDZ Directorate website

The TIDZ Directorate prepared a list of functional and technical requirements for the upgrades on their website and submitted them to the Project. Once the functional and technical requirements document was completed, the Project sent a request for proposals to seven IT companies asking them to submit their proposals. As part of the procurement procedure and in order to provide the prospective bidders

with an additional opportunity to ask clarification questions related to the RFP, the Project organized a meeting for all seven companies with the representatives of the TIDZ Directorate.

Five IT companies submitted proposals for upgrading the TIDZ Directorate website. On June 30, the Project met with the representatives of the marketing and IT departments of the TIDZ Directorate to jointly discuss the bids submitted to the Project. In preparation for this meeting, the Project shared with the TIDZ Directorate the functional and technical parts of the five bids while withholding the respective financial details. The purpose of the meeting was to consult with the TIDZ Directorate on the substance of the bids and their opinion with regard to which one would best meet their needs. Based on these discussions and in compliance with the applicable procurement rules, the Project's procurement committee decided to select the IT company Infinite Solutions to implement the upgrade.

The procurement procedure proceeded with drafting the contract and obtaining the necessary approvals. Upon signing the contract with Infinite Solutions, the representatives of the three parties (Project, TIDZ Directorate, Infinite Solutions) discussed specific guidelines regarding the functional and creative aspects of the upgrade. As a result of the discussions, Infinite Solutions designed and submitted to the TIDZ Directorate three different draft versions of the new user interface for the website.

Questionnaires for regular collection of information from foreign investors for the TIDZ Directorate

The main objective of this activity was to assist the TIDZ Directorate to improve the quality of its communication with foreign investors located in the zones and expand the quantity of data related to their satisfaction with the investment climate and the provided aftercare services. To achieve this, the Project developed two interactive questionnaires that will be used by the Directorate for regular collection of information from foreign investors – a questionnaire for assessing the satisfaction of the foreign investors in the zones with the quality and efficiency of the aftercare services provided by the TIDZ Directorate and a questionnaire for evaluating the opinion of investors on the overall investment climate in Macedonia.

The first draft of the questionnaire on the quality of aftercare services was submitted to the Aftercare Department of the TIDZ Directorate for review. The Project received their comments and suggestions and then followed the same procedure with the development of the questionnaire on investment climate. Upon finalizing the texts of both questionnaires, the Project procured IT services for development of interactive versions of the questionnaires to enable the Directorate to distribute them and collect information in an electronic form only.

Newsletter

During discussions regarding the development of the TIDZ Directorate newsletter, concerns were voiced regarding their capacities and resources for publishing such a publication immediately and they expressed their preference to postpone the process. As the Project was bound by the work plan timetable but wanted to assist with this activity, it was mutually agreed that it would be highly beneficial for the TIDZ Directorate to develop a detailed concept of the newsletter that would not only describe and elaborate the characteristics of all potential segments (chapters) of the publication and the concrete articles, but also determine the steps of the procedure for its preparation - establishment of an editing board, design of each issue, identification of contributors, coordination assignments, design, etc. The newsletter concept document was completed and submitted to the TIDZ Directorate.

SP-Y4-IP1-#4 - Analysis of the Implementation of e-Commerce in the Republic of Macedonia

Assistance for the preparation of the Analysis of the Implementation of e-Commerce in the Republic of Macedonia was requested by the Ministry of Information Society and Administration (MISA) in 2014. The main objective was to provide to the Ministry and GoM information on the current state of affairs in the implementation and use of e-commerce in economic activities in Macedonia, thus assisting them to identify policies and design specific measures to further enhance electronic trade in the country.

As soon as the first draft of the analysis was completed, it was presented to the core working group on the implementation of e-commerce in Macedonia consisting of representatives of MISA, Ministry of Finance, National Bank of RM, Customs Administration and the Agency for Posts. Based on the input provided by the most relevant stakeholders after the presentation, the Analysis on the Implementation of e-Commerce in the Republic of Macedonia was finalized and submitted to MISA at the end of September.

Trade Facilitation Self-Assessment Workshop

As part of its regional trade assistance efforts, USAID assisted Macedonia to organize a trade facilitation self-assessment workshop. The workshop represented a joint endeavor of the Agency staff in Washington and Macedonia, as well as two of its projects – the Regional Economic Growth Project and IDEAS. The latter was invited to take part in this activity due to the extensive experience that some of its employees possess in the area of international trade regulation, WTO rules and procedures, and the local aspects of this issue in Macedonia. The engagement of the Project was approved by USAID Macedonia on February 21, 2014 and included in the Project's Component A1 portfolio. The objective of the five-day workshop was to assist Macedonia to assess its current compliance and capacity-building needs related to the implementation of the Trade Facilitation Agreement adopted by the WTO at its last Ministerial Conference held in Bali in December 2013. The assessment was organized in close cooperation with the Macedonian Ministry of Economy and included participation of more than 35 representatives of government agencies responsible for regulating various aspects of cross-border trade, as well as representatives of the relevant private sector associations.

The facilitators worked with three working groups established based on specific issues contained in the WTO Agreement on Trade Facilitation and consisting of government and private sector representatives relevant for its subject matter. Guided by the facilitators, the working groups carried out a thorough self-assessment of the current situation in Macedonia in areas relevant for the implementation of the Agreement and identified issues that require further attention in order to achieve full compliance.

The self-assessment findings were recorded in a comprehensive document (table) which represented the basis for recommendations from participants and was presented to their senior officials on the last day of the workshop. As result of this exercise, Macedonia gained a clear idea of what actions must be undertaken to meet the Agreement requirements and create the conditions for its ratification. In the workshop conclusions, the Ministry of Economy committed to coordinate the process of implementation of all recommendations.

Organization of CEFTA Week 2014

According to the rotational chairing schedule, in January 2014 Macedonia assumed the chairmanship with the Central European Free Trade Agreement - CEFTA for the calendar year 2014. The organization of the CEFTA Week, the main annual event in CEFTA is among the many responsibilities of the Chair in Office. CEFTA Week takes place during the last quarter of the year and it features a series of panel discussions/workshops in the course of two days leading to the annual meeting of the CEFTA Joint Committee (committee of ministers of trade/economy of CEFTA Parties - Albania, Bosnia and

Herzegovina, Kosovo, Macedonia, Moldova, Montenegro and Serbia). The event provides a forum for discussion and exchange of opinion on trade-related topics among various stakeholders from all CEFTA Parties, such as government officials, international and donor organizations, private sector representatives and academia.

As the organization of such a complex event was seen as highly challenging for the Macedonian Ministry of Economy, they asked for support from USAID and the Project. In consultations with the USAID Mission in Skopje and in line with the plans for intensification of Project activities relating to Macedonia's international trade integration, USAID agreed that the Project could provide the needed technical assistance.

The Project provided support to the Ministry of Economy in every aspect of the organization of the CEFTA Week, including but not limited to, design of the program, identification of participants, identification of speakers and panelists, logistics and organization costs. The Project developed the concept of the program for the event, identifying the main topics that would be addressed, their distribution into segments and sessions/panels and potential participants – institutions and/or individuals. The program concept was fully approved by the Ministry of Economy and sent to the CEFTA Secretariat for their review and input. The Project contacted the majority of already-identified potential participants to discuss their participation in CEFTA Week. The Project was also involved in preparing the first draft of the list of institutions and persons to be invited to the event, booking appropriate conference halls for all segments of the event and collecting information related to other logistical and organizational aspects of the event, including but not limited to, design and preparation of conference materials, food and refreshments, procurement of the necessary technical services, and interpreting.

YEAR 5

SP-Y4-IPI-#3 - Aftercare Assistance to the TIDZ Directorate

Upgrades to the TIDZ Directorate website

According to the agreed-upon deadline, the upgraded website was expected to be launched and fully functional by the end of September 2014. However, the TIDZ Directorate's preference to have the design approved by their highest management resulted in a delay of the planned timetable for implementation of activities.

At the beginning of October, the Director of the TIDZ Directorate reviewed and approved the new design and Infinite Solutions proceeded with development and programming of all website segments. During the process, the TIDZ Directorate continuously provided the IT Company with necessary input and materials for the new design and functionalities.

Upon completion of the process of software development, Infinite Solutions held a meeting to discuss the final product, next steps and information that should be uploaded on the new website. Participants at the meeting discussed the remaining activities that led to finalization of the work and launch of the new website. The website was completed and promoted on the IDEAS Close Out event held on December 11, 2015.

Organization of CEFTA Week 2014

According to the rotational chair schedule, in January 2014 Macedonia assumed the chairmanship with the Central European Free Trade Agreement - CEFTA for the calendar year 2014. The organization of CEFTA Week, the main annual event of CEFTA was among the many responsibilities of the Chair in Office. As the organization of such a complex event was seen as highly challenging for the Macedonian

Ministry of Economy, they requested support from USAID and the Project. In consultation with the USAID Mission in Skopje and in line with the plans for intensification of Project activities related to Macedonia's international trade integration, USAID agreed that the Project could provide the needed technical assistance.

Initial activities for the organization of CEFTA Week 2014 in Skopje began in June. By the end of October, the Project developed the concept of the program for the event, identifying the main topics to be addressed, their distribution into segments and sessions/panels and potential participants – institutions and/or individuals. The program concept was fully approved by the Ministry of Economy and received input from the CEFTA Secretariat. The Project was also involved in logistical and organizational aspects of the event, including but not limited to, planning of protocol aspects, media attendance, design and preparation of conference materials, food and refreshments, procurement of necessary technical services and interpreting.

CEFTA Week 2014 took place on November 19-20 at the Holiday Inn in Skopje under the Macedonian Chairmanship of the Central European Free Trade Agreement - CEFTA. The event was opened by Bekim Neziri, Macedonian Minister of Economy, Barton Putney, U.S. Embassy Deputy Chief of Mission and Jaromir Levacek from the EU Delegation in Macedonia. It gathered together 158 representatives from various public institutions, chambers of commerce, international and donor organizations and academia from all CEFTA countries. Overall, CEFTA Week 2014 included official participation of 31 speakers who delivered 27 presentations addressing the issues included in the agenda.

Discussions and presentations that took place as part of CEFTA Week 2014 addressed topics crucial for future trade and economic integration in the SEE region under the auspices of the CEFTA Agreement. Topics were organized in four sessions and discussed by stakeholders from all CEFTA countries and their partners from international organizations.

The first session addressed the issue of increasing investment levels in the region. Presentations and discussions focused on the most apparent obstacles to inward investments and how the region plans to deal with them as part of the SEE Strategy 2020, steps to promote the region as a single destination and the characteristics of existing investment policies in CEFTA countries. In the second part of the session, Macedonia shared with participants its policies for attracting and servicing foreign investors which are beginning to yield positive results.

The second session dealt with the issue of development of CEFTA regional value chains in industry sectors that have the potential to be competitive on a global level. Following the priorities determined by the SEE Strategy 2020, this session focused on the food processing industry and tourism. Within the two sub-sessions, presenters and the audience discussed the existing challenges and the policy measures needed to stimulate cross-country cooperation among companies from the identified sectors.

As part of the session on trade facilitation, participants discussed compliance of CEFTA countries with the WTO Agreement on Trade Facilitation and the benefits its implementation will create for regional trade. The second issue was the implementation of the concept of Authorized Economic Operators – AEO in CEFTA countries and the development of a regional AEO Strategy. At a round table discussion, representatives of international and donor organizations active in the region, i.e. EU Commission, USAID, World Bank, IFC, GIZ, OECD, UNCTAD and ITC had an opportunity to present and coordinate their assistance efforts in the area of trade facilitation.

The fourth session was organized by the Forum of Chambers of Commerce – a regional dialogue forum established by the chambers of commerce of CEFTA countries. At the session, representatives of four

Forum working groups presented the findings and the recommendations of the private sector in the areas of agriculture and SPS, TBTs and NTBs, customs and rules of origin, and trade in services.

CEFTA Week 2014 was an important regional event that provided significant contribution to efforts for regional economic cooperation and dialogue. Project assistance for this activity extended through December and January with the preparation and publishing of the CEFTA Week final report – a comprehensive publication that captures all presentations, discussions and recommendations made at the event.

Theme 2: Development and Implementation of a comprehensive export promotion strategy and trade policies to support exports

YEAR I

Activities focused on not only defining the strategic framework and description of the services that Invest Macedonia would offer in the area of export promotion but also designing the export promotion and export readiness programs for MoE. The following main accomplishments were achieved: (1) creation of a strategic document, *Organizational and Strategic Design for the Agency for Foreign Investments and Export Promotion (Invest Macedonia)*; (2) organization of training tailored to economic promoters, with an emphasis on the export promotion services they should provide; and (3) analysis on export-ready companies and on companies with export potential in various sectors, and design of the action plan and measures for the GoM programs for export readiness and export promotion programs.

SP-YI-Export No. I

- **Develop a strategic framework and business model for the Agency for Foreign Investments and Export Promotion (Invest Macedonia)**

This activity consisted of three phases:

Phase 1: Organizational and Strategic Design. The objective of Phase 1 was to complete a baseline analysis of Invest Macedonia, propose how the organization should carry out its mission, recommend its organizational structure and mechanisms for coordinating with other government agencies, prepare an action plan for implementation, and advise on export promotion metrics.

Phase 2: Sector Selection and Typology of Firms. Objectives of Phase 2 were to recommend the sectors that have the greatest ability to increase exports, drive production, and increase jobs and to identify types of enterprises in these key sectors that had the highest potential for export growth. During Phase 2, an analysis was conducted that covers two main vantage points:

- **Quantitative Analysis**—filter sectors and products based on metrics such as addressable market demand and growth trends
- **Qualitative Analysis**—incorporate development-objectives and consider nuanced sector constraints that may not be apparent in the quantitative analysis

Phase 3: Service Offerings and Support for Exporters. Objectives of Phase 3 were as follows:

- Describe products and service development programs that the Agency offers to exporting companies. Recommendations included business processes that ensure organizational effectiveness of the key departments in Invest Macedonia (e.g., setting specific work activities, including times and places, a beginning and an end, and clearly defined inputs and outputs).

- Review the cost-sharing grant schemes that MoE administered, as well as international best practices and a description of the proposed grant scheme or other co-financing arrangements for the exporters. This description included key characteristics of selection criteria, how the grant or co-financing application would be managed, and eligibility and evaluation criteria.

SP-Y1-Export No. 2

- **Export promotion training for the economic promoters of the Republic of Macedonia**

A training and panel discussion about export promotion was held in July 2011 at the Parliamentarians Club in Skopje. The objective of the training activity was to introduce economic promoters to their new responsibilities in export promotion and to transfer knowledge and best practices from implemented donor programs.

The training included a program overview introduction of the promoters' new responsibilities; a presentation on Macro Environment for Export Promotion; and a presentation about Market Research Methods and Data Mining by a Dutch Centre for Promotion of Imports from Developing Countries (CBI) representative; followed by a panel discussion; and then presentations by GIZ, SIPPO, and USAID's MCP representatives.

The training event was important from the perspective of donor coordination, keeping in mind that it was implemented as a joint effort for all donors involved in the export promotion activities. Beside USAID Investment Development and Export Advancement Support (IDEAS) Project, other stakeholders participated to the activity, including the USAID AgBiz Program and USAID Macedonian Competitiveness Project (MCP), the Swiss Import Promotion Program (SIPPO), the German International Cooperation (GIZ) and the Centre for Promotion of Imports from Developing Countries (CBI).

YEAR 2

The main emphasis for the activities in Year 2 was on implementation of the three year strategy for change management in Invest Macedonia, introduction of export promotion and export readiness programs, as well as on process of institutional development of the Agency. Activities implemented during the FY12 under this theme, were grouped in three categories.

ACTIVITY I - Develop the IT systems in Invest Macedonia and improve staff effectiveness.

SP-Y2-Export No.1- Develop the IT systems in Invest Macedonia and improve staff effectiveness

The main objective of this Special Project was establishing the IT infrastructure in Invest Macedonia that will enable implementation of the new business processes focused on the export promotion function and training of the Invest Macedonia employees for improvement of their knowledge and skills.



Photo credit: Project staff member

Opening session of the two-day training/panel discussion on Export Promotion

Based on the assessment of the IT business environment, the RFP for the Export portal and Customer Relations Management system was designed, selection criteria developed and the tendering process was announced. Using the previously developed selection criteria, the proposed solution offered by company ITGMA was selected as most suitable.

The overall implementation of the special project was divided into several phases: development of the IT architecture for the solution; development and installation of the software modules; creation of the test environment and testing; data gathering phase, simulations of the software in the real environment; and launch of the solution. The export web platform was designed on a modular base, containing the database with the company profiles of current and potential exporters; market information for the specific sectors; reports for the latest industry and sectorial trends; and platform for matching of the domestic supply with the foreign demand. In addition to the export portal, the Customer Relations Management System (CRM) was upgraded with the new modules and features enabling the integration of export function in the system, improving business processes and the reporting system in Invest Macedonia.

Once the portal was completed, the user manual for portal and CRM was developed and training for Invest Macedonia staff was delivered.

A second group of activities under the Special Project are related to improvement of the Invest Macedonia staff effectiveness. In this regard, export promotion training for economic promoters was delivered. Over the course of the training, economic promoters were introduced with the new export promotion functions of Invest Macedonia i.e. business development and market information function, as well as with proposed export promotion KPI's for their performance measurement. During the training program, economic promoters were also trained in communication skills from the perspective of establishing the export market leads. These capacity building activities were organized in cooperation with USAID AgBiz Program and with Program for Innovative Types of Financing for Small and Medium-Sized Enterprises (SMEs).

SP-Y2-Export No. 5 Training for economic promoters

The main objective of the activity was to continue with the process of training and education of economic promoters in order to improve their knowledge and skills in export promotion issues and to increase the organizational efficiency. Some of the topics covered at the training included: how to utilize advantages of the newly created export web portal and upgraded Customer Relation Management System, training for international standards for export and training in export using the methodology of previously developed export curricula. In addition to the general training, during the training, the economic promoters from the selected markets and countries where promotional events were organized throughout the year, shared their experience and lessons learned from the implemented export promotion activities. The issues of the KPIs and their adjustments to the organization needs were also discussed. All economic promoters of the Invest Macedonia, including the whole Export Department staff attended the training event. This activity contributed to the institutional development process of Invest Macedonia.

ACTIVITY 2 – Building Invest Macedonia's Export Programs

SP-Y2-Export No. 2- Building Invest Macedonia's Export Programs

The main objective of the activities implemented under this Special Project was support for establishing business development and a market information function in Invest Macedonia. Within the framework of

this special project seven activities were implemented. All these activities were part of the Project's efforts to introduce sustainable export promotion functions, increase the operational efficiency as well as the human and institutional development of Invest Macedonia.

Fruit Logistica Trade Fair in Germany

Invest Macedonia supported by the IDEAS and AgBiz Projects, organized a study visit for the representatives from 15 Macedonian companies from the agro business sector to the international fair for fresh fruit and vegetable Fruit Logistica Berlin, Germany. Besides getting acquainted with the newest trends in the technology for production and packaging of fresh fruit and vegetables, logistic trends and trends in regard to research and development, marketing and promotion, the Macedonian exporters of table grapes, fruit and vegetables also had an opportunity to make a series of contacts with potential European importers. The representatives of the Macedonian agro business held two multilateral meetings with the agro business representatives of Southern Serbia and Kosovo in order to create partnerships in accessing regional and other exporting markets.

The event was used as a platform for public-private dialogue between the representatives of the Agency and the private sector, with a focus on finding ways for a better organized presentation of the Macedonian exporters on the international fairs for fresh fruit and vegetables, through their presentation on their own national stands.

SEE Business Technology Week

The Agency for Foreign Investment and Export Promotion and Macedonia and ICT Chamber (MASIT) supported by the Project, participated at the BizTech events organized in Skopje, Prishtina and Tirana by the company Leoron. More than 70 companies from the region were included in the events. The events aimed at introducing the ICT companies from the region with the technical and technological novelties in the industry, meeting potential business partners in order to enhance regional collaboration and increase exports, as well as to exchange knowledge and experiences between companies from the region.

Study Tour and B2B meetings for Macedonian traders/exporters of Fresh Produce and Processed Vegetables to Poland

The Project, in cooperation with the AgBiz Program, organized a study tour and B2B event in Poland for Macedonian agro business companies focusing on fresh and processed fruit and vegetables. Representatives of 14 Macedonian companies and Invest Macedonia attended the events.

During the trip, the Macedonian delegation visited the biggest wholesale market in Central Europe for Fresh Fruit and Vegetable, along with Metro Poland, the biggest retail store for fresh fruit and vegetable in Central Europe. The companies had the opportunity to discuss with the general managers of both organizations about market entry criteria for Poland and other Central European Markets. The B2B matching event was organized with the participation of 12 companies from Poland interested in importing agricultural products from Macedonia. The event has contributed in establishing new business leads for Macedonian companies and transfer of know-how in the area of market analysis, quality and packaging standards, export sales and marketing.

Promotion of the automotive industry on the International South East Europe Automotive Suppliers Industry Trade Fair SEE Auto Compo Net in Kragujevac, Serbia

The IDEAS Project and the Export Promotion (IEP) Project, implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), supported two Macedonian automotive supplier companies Te-Te Plast and Ruen to present the product range on "Auto Compo Net", the International South East Europe Automotive Suppliers Industry Trade Fair, in Kragujevac, Serbia. This trade fair represents the most significant specialized automotive industry fair in the Western Balkans. The fair brought together

the most important automotive components manufacturers, additional machines and equipment industries, chambers and automotive clusters from countries within the region of Southeastern Europe as well as EU countries. The fair provided opportunities for bilateral meetings, round table discussions, forums and presentations and stand visitors were also provided with information and promotional material for the Macedonian automotive industry and for the activities of Invest Macedonia. The selected Macedonian companies presented their products at a National stand.

Supporting the Invest Macedonia Agency to organize a Study Tour and Promotion of Macedonian Wines in the US

The Project in cooperation with AgBiz has supported Invest Macedonia to organize a Study Tour and Promotion of Macedonian Wines in the US. Eight export ready wineries: Tikvesh, Bovin, Stobi, Chateau Kamnik, Dudin, Ezimit, Popova Kula, Dalvina and a representative of the Wines of Macedonia Association, represented the private sector on the promotional tour organized in Washington DC, New York and Chicago to introduce the Macedonian wine industry to US wine critics.

The main objective was to increase awareness of the range and quality of Macedonian wine in order to gain recognition on the US wine chart as well as promote Macedonian wine in targeted US markets. During the tour, the companies were able to establish contacts with the most relevant wine importers in the US, to present the product range, and identify which Macedonian wines satisfy the requirements of US consumers and how competitive they are.

Automechanika Trade Fair, Germany

The Project in cooperation with Invest Macedonia and the German technical support program (GIZ) supported four Macedonian companies in the automotive industry to present their products at the Macedonian national stand at the Automechanika Fair in Frankfurt, Germany. The four companies were: STD manufacturer of shock absorbers for commercial vehicles, buses and trailers; "Ariazone", a manufacturer of automatic stations for servicing automotive air conditioners and other cooling systems; "Bransys", manufacturer-information technologies and "Ein Sof" manufacturer-software for the automotive industry. Besides networking, companies were able to become familiar with the latest trends in the automotive industry and automotive services sectors.

Gartner Outsourcing Summit, London

The Project in cooperation with German technical support program GIZ, Invest Macedonia and Macedonian ICT Chamber (MASIT) supported 12 Macedonian IT companies to exhibit their products on the national stand at Gartner Outsourcing Summit in the UK. The Gartner Outsourcing Summit is one of the key IT events in the world designed for CEOs and senior leaders, contact managers, vendor managers and sourcing managers. During the event Macedonian companies were able to establish business leads and to learn about the latest market trends. In addition, IDEAS and GIZ helped Invest Macedonia and MASIT to organize "UK - Macedonia IT B2B Forum". At this Forum, Macedonian companies had exclusive opportunity to present themselves and network with selected UK IT companies, members of the Intellect – the largest IT association in UK. The B2B Forum brought added value to the debut of the Macedonian IT delegation in the UK. The implementation partner of the activity was the British IT Association – Intellect UK.

SP-Y2-Export No. 3- Study tour for transfer of international best practices in export promotion

The Project in cooperation with AgBiz Program organized a study tour in Slovakia and Czech Republic for sharing international best practices on export promotion from the relevant dual function (investment and trade promotion) agencies. The goal of this activity was to provide practical knowledge in the area

of export promotion for representatives from the Agency for Foreign Direct Investment and Export Promotion of the Republic of Macedonia and the Ministry of Economy. The group had the opportunity to visit two export promotion agencies - the Slovak Investment and Export Promotion Agency (SARIO) and the Czech Trade. The participants also visited the relevant Ministries and private sector associations in both countries. The most important conclusion by the participants from the study tour is the validation that the strategic directions defined in the Strategic Framework for Invest Macedonia are proper and realistic and that their implementation will contribute in establishing a more efficient system for export promotion in Macedonia.

ACTIVITY 3 - Development of the Export Readiness Programs

SP-Y2-Export No. 4- Development of the Export Readiness Programs

The Project in cooperation with the Centre for Promotion of Imports from developing countries (CBI), founded by the Dutch Ministry of Foreign Affairs organized a "learning export" workshop. The workshop was held in the Economic Chamber of Macedonia, in Skopje. The workshop was part of the program for development of the first export curricula and establishing of the body of knowledge for export between public institutions and Chambers of commerce. In total 25 participants attended the training, representing the following institutions: the Agency for Entrepreneurship Promotion, Ministry of Economy, Invest Macedonia, Chambers of Commerce, and private sector associations. More specifically, the trainees of this workshop will act as trainers to their peer colleagues for this specific subject.

The main topics covered with the program and curricula included: Market Research; EU Market Access Requirements; Europe, Europeans, and the EU; Marketing Export Strategy; Export Marketing Planning; Pricing for export; EU cultural trade aspects etc. Subsequently the export brochure was developed and posted on the Project's website <http://ideas.org.mk/Pages/Publications/>. The brochure was also burned on CDs and distributed in selected export related events.

In addition to this event, the Project and the Agency for Promotion of Entrepreneurship of the Republic of Macedonia, in cooperation with the European Information and Innovation Centre in Macedonia, organized training for export promotion, for the business service provider (BSP) community in Macedonia. Some of the key topics of the training were export market research, market selection, segmentation and analysis; assessment of the company's export potential; and definition of export prices, preparation of export contracts and export payments.

Representatives from 29 BSPs attended the training. This activity was conducted in accordance with the methodology developed by the Project and the Dutch Agency for Promotion of Imports from Developing Countries (CBI) and implemented under the Government measure "We are learning export", aimed at improving the knowledge and skills for export.

YEAR 3

The main emphasis for the activities in Year 3 was on building institutional capacity of the Project partner organizations, and implementing export readiness and marketing activities. Activities implemented during Year 3 under this theme, were grouped in five categories:

Activity 1– Export Promotion Support; Activity 2- Export Analysis Support; Activity 3- Export Readiness Support; Activity 4 - Export Education and Export Awareness; and Activity 5 - Institutional Development of Invest Macedonia.

The above-mentioned activities were implemented within the framework of five special projects, resulting in the outcomes that are presented below. Note: The Special Projects are presented by activity group in which they belong, and not by order of the numbers.

ACTIVITY I - Export Promotion Support

SP-Y3-EP-# I – Agro sector- “Fruit Logistica”, Berlin, Germany, February 6-8, 2013

Fruit Logistica is the most important business and communication arena of the international fresh produce trade in Europe. Ten Macedonian Companies exhibited their products at the National Stand funded by the Ministry of Agriculture, Forestry and Water Economy of the Republic of Macedonia.

Participation in Fruit Logistica has contributed to raised awareness of the brand “Made in Macedonia” on international markets, as well as to strengthened confidence of foreign partners about the capabilities of Macedonian producers of Fresh Fruits and Vegetables. Also, companies from Macedonia were able to establish new business links with potential business partners and to improve their knowledge about new methods and equipment for production, packaging, storage, transport and new means of presenting of their products. This activity was implemented in cooperation the USAID’s AgBiz Project.

SP-Y3-EP-# I - ICT- B2B match-making event in Dusseldorf, Germany, February 5-6, 2013

As part of the export promotion activities of the portfolio of the Agency for Foreign Direct Investment and Export Promotion of Republic of Macedonia, IDEAS together with GIZ IEP Project supported the representation of 8 companies from the IT sector on the B2B, held in Germany. The InvestMacedonia economic promoter for Germany, located in Dusseldorf, MASIT, and two additional German agencies engaged through GIZ IEP (NRW Invest and Zenit) were also involved in the implementation of this export promotion event.

In addition to the opportunity for targeted B2B meetings with German companies during the event, companies were also able to learn about advantages of using the European Enterprise Network (EEN) in order to find partners in Europe. Participation in the activity for Macedonian companies was an excellent opportunity for generating business leads. From the perspective of Invest Macedonia, the event contributed to building the knowledge base and staff capacity to perform business development.

SP-Y3-EP-# Ia – Regional Agribusiness Forum and B2B, May 29, 2013

As part of the export promotion activities within the portfolio of the Agency for Foreign Direct Investment and Export Promotion of Republic of Macedonia, USAID’s AgBiz Program and RCI, together with the Project, organized the Regional Agribusiness Forum and B2B event. The objective of the event was to address some of the key obstacles related to the trade facilitation in the agribusiness sector such as lack of relevant market information, lack of market linkages, and an undefined strategic vision for cross-border value chain strengthening and business expansion. The Regional Agribusiness Forum and B2B also was a matching platform enabling business meetings between agribusiness companies from the region: Bulgaria, Serbia, Albania, Kosovo, Montenegro, Bosnia and Herzegovina and Macedonia (supermarkets, wholesalers, traders, processors and producers).

ACTIVITY 2- Export Analysis Support

SP-Y3-EP-# 2- Export Analysis, Export Awareness and Export Education Support

The main objective of the activity is to support export analysis, education and awareness activities of the InvestMacedonia, using the web portal of the Agency and electronic newsletter Exporter as tools. During Year Three, the Agency developed three issues of Exporter. The Newsletter includes information regarding the activities of the Agency for Foreign Investment and Export Promotion, Ministry of Economy and Agency for Entrepreneurship Promotion; information on export activities undertaken by private sector business associations and chambers; positive stories that highlight successful Macedonian exporters, as well articles on trade analysis, trade statistics (global and regional data) and export education.

In the area of export analysis, the IDEAS Project, together with the Export Department in the Agency for Foreign Direct Investments and Export Promotion, designed a template for a market entry report. In addition, the sample market entry report for Switzerland was written and distributed to economic promoters, using Euromonitor and other available sources of trade information. With the support of the Project, the Export Department and economic promoters, 15 market entry reports were created and posted on the web portal of the Agency.

SP-Y3-EP-# 3- Export Readiness Support

The main objective of the activity was to train potential export companies, from several regions in the country, using the methodology and curriculum developed for general Export Education. It also included the creation of one sectorial (vertical) curriculum for export promotion. During Year Three, the Project organized three (one-day) “ We are learning export” workshops, covering: Market Research, Export Marketing, Export Prices, Export Offers, and Methods of Payments in international trade, and Export Disputes.

The training provided insights on practical implementation of marketing tools, market research, distribution, export offers, export prices, and contracts. The training contributed to creating sustainable capacity within both the public sector and the business community for export education and training. At least 60 companies participated in these training sessions. Through the training program, export-oriented companies were able to improve their knowledge and skills required to enter foreign markets and increased their export potential for their products/services, distribution, and placement. The results from several countries where similar programs for export support were implemented have shown a positive correlation between improving competitiveness and increasing exports over the long term. All these workshops were covered by representatives from local or/and national media. In some cases, lengthy interviews were organized featuring IDEAS staff members and aired in local media.

The Project, in cooperation with Swiss SIPPO program and the Textile Cluster, initiated an activity to create the first vertical curriculum for apparel. The curriculum was completed by the end of September 2013 and covers necessary actions related to export of apparel products, including the preparation of export marketing plans, development of channels for distribution, pricing policy, payment instruments, etc. The activity continued over the course of Year Four with workshops for the trainers (15 representatives from public institutions: Agency for Foreign Investments and Export Promotion of Republic of Macedonia, Agency for Entrepreneurship Promotion, Ministry of Economy, private sector chambers and business associations) and with training of the 50 textile companies.

SP-Y3-EP-# 4 - Promotion of e-government solutions supported by IDEAS to the business community

The scope of work included promotion of e-government solutions developed under all three components of the IDEAS Project and was thus implemented as a cross-component activity. It involved the organization of three promotional events for the business community through the chambers of commerce in three cities in Macedonia. Summary information on the three promotional events appears in the section on PPD Component B under SP-Y3-PPD-#1.

SP-Y2-Export # 5- Institutional Development of Invest Macedonia - Study tour for transfer of international best practices in export promotion

The purpose of this activity was to increase the capacity of the staff of the Agency for Foreign Direct Investment and Export Promotion of the Republic of Macedonia. The Agency was constrained by its lack of practical knowledge in the area of export promotion. This lack was addressed through a study visit that was planned for implementation during Y4 to a trade and investment promotion agency with an advanced export support system.

IDEAS has found that study visits are an extremely efficient tool for knowledge transfer. They serve to enhance and broaden a practical understanding of how export promotion agencies operate, as well as assist in establishing professional relationships that continue after the visit concludes. The implementation of the activity increased the knowledge of relevant Macedonian institutions regarding export promotion. It also increased the understanding of the internal organization and business processes to be integrated by the staff of the Agency for Foreign Direct Investment and Export Promotion of Republic of Macedonia.

YEAR 4

The Strategic Framework for InvestMacedonia that was developed in the first year of the Project remained the main roadmap for application of Project activities in the fourth year, where the main focus was put on: further institutional development of InvestMacedonia and its export-promotion function, development of new tools for market analyses and export readiness assessments, and activities for building of the export-awareness and export-readiness potential of the private sector. From the perspective of the sustainability of the project's efforts, the export function has already been introduced to InvestMacedonia and it will continue to be performed by the Agency as a part of its regular mandate in the future. The Component's activities were divided in five main groups, as follows: (1) Export Promotion Support (2) Export Analysis Support, (3) Export Readiness Support, (4) Export Education and Awareness and (5) Institutional Development of InvestMacedonia.

InvestMacedonia remained the main counterpart of the Project in implementation of all five groups of activities. In the area of Export Readiness and Export Education Support, the Agency for Entrepreneurship Promotion (AEP) was also included and consulted in the implementation of the activities, which are described in more detail in this section.

The main objective of each of the five groups was:

Export Promotion Support – providing support to both InvestMacedonia and the private sector (export oriented companies) to organize and attend trade missions (B2B meetings, fairs, etc.) The economic rationale for these activities relies on the fact that there are significant costs for the companies associated with the implementation of such missions, which sets up the basis for public-sector involvement. The main objective of these efforts was to open new markets, grow

the pool of business partners and increase the volume of exports made by Macedonian companies. All of the export-promotion activities, such as trade fair participation, B2B, business forums and trade missions organized by InvestMacedonia, were implemented in the sectors selected in the National Strategy for Export.

Export Analysis Support - In order to successfully enter foreign markets, companies need to learn about foreign business practices and foreign consumer preferences; identify business opportunities abroad; contact and communicate with overseas customers; and access appropriate distribution and advertising channels. In order to address the issues related to the shortfall of market information, the Project supported InvestMacedonia to establish its market information function. The main objective of the market information function was to provide information to drive decisions on entering and maintaining export markets, information on how to enter a specific market and information on industry-specific market opportunities, along with publications, checklists and international trade analyses.

Export Readiness Support – the Project continued the efforts in providing trainings and guidance for small and medium sized companies that are export oriented or are potential exporters. To this end, the project continued with the development of sector specific export curricula and organization of trainings and workshops. These activities were mainly focused on: assessment of the company/product export potential; market analysis; development of the market-entry strategy; development of the export marketing plan; development of distribution channels; international contracts; and after sales.

Export Education and Export Awareness - With the objective of increasing public awareness of export promotion activities and export knowledge, InvestMacedonia, supported by the project, continued to publish the electronic newsletter, “Exporter.” The newsletter was produced quarterly by InvestMacedonia, covering export news and providing information about the activities of InvestMacedonia, Ministry of Economy, other ministries and public institutions; information about private sector chambers and business; best practices from successful exporting companies; a section for donor-funded export activities; a section for export education and information on forthcoming international trade fairs. In the area of export education, the Project organized training events with current and potential exporters, addressing topics important for exporters in demanding and sophisticated markets, such as: importance of branding and marketing in the internationalization of business (brand strategy, including manuals, toolkits, advertisements, campaigns); and internationalization challenges of SMEs from the perspective of use of social media in export marketing (“Taking advantage of social technologies.”)

Institutional Development of InvestMacedonia - The objective of Institutional Development activities was to increase the understanding and knowledge of InvestMacedonia related to the concept of efficient exports, and the capacities and skills needed for implementation of high-quality export services. Capacity-building efforts to establish an efficient export promotion function and efficient business processes were focused on training InvestMacedonia Export Department staff and economic promoters on the methods and techniques used to support exports; and upgrading the web portal and CRM of InvestMacedonia with new functionalities that will create a user-friendly environment and increase the number of site visitors.

ACTIVITY I - Export Promotion Support

ICT

SP-Y4-Export-#1 - Export Promotion Support - SEEITA B2B Meetings

In recent years, the software industry has emerged as one of the most dynamic sectors of the Macedonian economy. An analysis of exports of Macedonian software and IT services demonstrates a trend of positive growth in exports through the years. Like several other countries in transition in South East Europe, Macedonia has discovered the strategic importance of the software industry and its enormous potential for exports. The Project successfully supported several export promotion activities in this sector (B2B events in Albania and Serbia, visit to Gartner Outsourcing Summit with B2B event in London, UK and organization of the B2B match-making event in Dusseldorf, Germany).

The implemented export-promotion activities had a positive impact on establishing new business leads, closing export deals and developing the country/industry branding for Macedonia as a sourcing destination for ICT products and services. To build on these efforts, the Project supported the organization of B2B meetings and a matchmaking event in Skopje that was a part of MASIT's "E-Government and SEEITA Open Days Conference". More than 20 companies from Macedonia, France and from the region attended the B2B and matchmaking event. Taking into consideration the regional character of SEEITA (South East Europe ICT Associations) as part of this conference, a special emphasis was given to regional cooperation between the SEE ICT companies in developing export capacities and synergies for outsourcing projects.

SP-Y4-Export-#9 - Export Promotion Support – Organization of trade mission for Macedonian companies from the ICT sector

The main objective of the activities was to contribute to increasing exports of ICT, as well as the knowledge transfer for the Agency for Foreign Investments and Export Promotion of the Republic of Macedonia (InvestMacedonia) in the area of export promotion. The ICT sector was identified as a priority in the National Export Promotion Strategy of Macedonia. To build upon previous successful efforts of the USAID IDEAS Project in the area of export promotion (visit of Gartner Fair in London in 2012, trade mission in Germany for MASIT members, regional B2B meetings in Skopje and Sofia, etc), the Project organized the visit to the CEBIT Fair in Istanbul from 11 – 14 September, 2014.

CeBIT Broadcast Cable & Satellite Eurasia is one of the most influential fairs for the ICT industry for the Eastern Europe, Central Asia and Middle East markets. It provides the latest information on information technology, telecommunications, software and ICT-related services. Over 1066 companies contribute to the event with their projects, and provoke great discussion on developments in the ICT industry. Approximately 131,000 visitors make the event and its goals complete. The activity was implemented through the NGO, Change Management Association in close cooperation with InvestMacedonia, Macedonian ICT Chamber (MASIT) and Chamber of Commerce. Seven companies attended the event: Infinite Solutions, Artisoft, ASI, Aspekt, CodelT, Simt and ITgma.

During the trade fair visit, the meeting with the Turkish ICT Association TUBISAD was organized, where opportunities for mutual cooperation between Macedonian and Turkish ICT companies were discussed. The respective parties agreed upon a follow-up meeting and a visit from Turkish representatives to occur by the end of 2014. This will also be an opportunity for both Associations to sign a Memorandum of Understanding and commence their cooperation.

Apparel

SP-Y4-Export # 6- Apparel trade promotion B2B event in Copenhagen, Denmark

The B2B event in Copenhagen was held on January 29, 2014. Prior to the implementation of the event, InvestMacedonia, SIPPO and the Textile Trade Association (TTA) engaged in preparatory activities in order to ensure quality representation of the companies and facilitate the planned meetings with potential buyers. Eight reliable suppliers (Albatros; Eurosolid; Viemi, Aleks; Veramond; Alzama, Linea; ASM) from Macedonia had individual presentations in front of visiting companies at the B2B event, after which separate meetings were held with one Swedish and six Danish companies. In addition, four foreign companies invited the Macedonian companies to visit their stands at the Copenhagen Fair (Cliff) the next day and present their capacities and products.

The next day, a follow up and evaluation meeting was held with the companies. The general conclusions were:

- The event was very well organized, including logistics;
- The companies acknowledged this initial effort towards the Scandinavian market and are willing to increase and intensify their activities in the future (it was suggested to once again visit the Cliff in August, since the Fair is organized on a semi-annual basis);
- The company selection for matchmaking at the B2B event was well-executed and mutually beneficial.

Agribusiness

SP-Y4-Export-#8 – Export Promotion Support – support InvestMacedonia in organizing trade missions (fair visit and B2B meetings) for companies from the agribusiness and food sector

The scope of work was approved by USAID on May 6, 2014. The Project, in cooperation with InvestMacedonia organized a trade mission including a visit and B2B meetings in Novi Sad (Republic of Serbia) at the International Agricultural Fair, 2014. Ten Macedonian export-oriented companies participated in the event. The purpose of this activity was to promote Macedonian exporting companies in the agribusiness and food sector and establish new business leads with potential buyers from the region. In addition, this activity contributed to increasing operational efficiency through a “learning-by-doing” process, by exchanging practical knowledge and know-how during the organizational and implementation process. This provided a step-by-step depiction of all necessary stages required for organization of such an event; all of this contributes to the human and institutional development process in the area of export promotion for representatives of InvestMacedonia.

The main counterparts for organizing this activity were the Chambers of Commerce, agribusiness and food companies, and a local NGO specialized in the field of agribusiness- AgBiz Macedonia. The companies were greeted and hosted by the Macedonian Ambassador in Serbia and the economic promoter from InvestMacedonia. They all had the opportunity to give presentations of their company and products. The companies evaluated this event as very useful and beneficial. Direct meetings; establishing new prospect contacts with potential importers, supermarket chains and distributors; the opportunity to talk with appropriate people; and presenting and negotiating product offers were evaluated as most valuable. All companies expressed interest to participate on similar trade fairs, presentations and B2B meetings in the future.

To conclude, trade missions have proven to be a very concrete and productive way to assist Macedonian agribusiness and food companies to identify new export markets. Pre-arranged direct

business meetings with the most relevant importers and supermarket chains allow companies to better understand the market preferences, competitors, sales channels and recognize certain product gaps. Direct talks with purchasing or category managers and traders leads to concrete negotiations on prices, product quality, delivery dynamics, discounts based on sales volumes, new product introduction etc.

ACTIVITY 2 – Export Analysis Support

SP-Y4-Export # 2- Export Analysis Support

The scope of work was approved by USAID on December 19, 2013.

- The final version of the methodology and tools for assessment of the export-readiness potential of export-oriented companies is complete and was submitted to InvestMacedonia; it was accepted and uploaded on InvestMacedonia web site, free for use by the companies.
- The survey for identifying bottlenecks for exports at the company level was completed. The methodology included InvestMacedonia distributing surveys to companies in their database. Primary results from this survey were submitted to InvestMacedonia for further analysis and planning of future steps and measures for the export department in InvestMacedonia.
- The two market intelligence reports, selected by companies from the agribusiness sector and InvestMacedonia, were finalized and submitted to InvestMacedonia. The expert, EpiCentar, in conjunction with InvestMacedonia and the relevant associations of producers identified Germany and Slovakia as destination markets to be evaluated, since these countries are estimated as potential export markets for Macedonian fresh fruits. More precisely, the German market was evaluated for export and distribution of peaches, plums and sour cherries. The Slovakian market was evaluated for export and distribution of table grapes.

The implementation of this activity contributed to improvement of the knowledge and skills of both export-oriented companies and InvestMacedonia in terms of new methods and techniques for approaching foreign markets, evaluating company competitiveness and focusing the support.

ACTIVITY 3- Export Readiness

SP-Y4-Export-#7 - Export Readiness Support – development of training curriculum for export of services and training of export-oriented service providers based on the curriculum methodology

The main objective of the activity was to develop training curriculum for best practices in export in the service sector including IT, logistics, and creative industries and to train export-oriented service-sector companies using the export curriculum's methodology. During Year 3, the export curriculum for the apparel sector was developed in close coordination with the Agency for Entrepreneurship Promotion, the textile cluster, and InvestMacedonia. In order to keep the focus on both curriculums, the Project and InvestMacedonia agreed to organize two presentations of the curriculums consecutively during FY2014. In order to achieve the objective of this activity, the local NGO, Change Management Association was engaged in the following activities:

- Development of the training agenda and workshop for export promotion in the apparel sector
- Development of the training curriculum for export in the service sector and deliver the training for the selected trainers and export-oriented companies using the previously-developed methodology by the IDEAS Project.

The training workshop for companies from the apparel sector (potential and current exporters), including representatives from the Ministry of Economy, textile cluster, and InvestMacedonia was organized on 12 September, 2014. Twenty attendees participated in the workshop. Feedback from the

companies regarding the workshop was very positive. In the second stage of the activity, the export curriculum for the service sector was developed covering the following export topics:

- Assessment of company/product export potential;
- Market analysis;
- Development of a market-entry strategy;
- Development of an export marketing plan;
- Development of distribution channels;
- International contracts;
- Methods of payment and payment instruments;
- After-sales strategies.

Based on the developed export curriculum for the service sector, the training workshop was organized on 26 September, 2014. Twenty representatives of companies from the service sector (primarily ICT, graphic design, and marketing), representatives from InvestMacedonia and representatives from the Ministry of Economy attended the workshop. In addition, the Project prepared an electronic brochure-a guide for exporting in the service sector. The Agency for Entrepreneurship Promotion was the co-organizer of the event. Implementation of the above-mentioned activities contributed to improving companies' knowledge and skills regarding entering foreign markets, and to increasing the export potential, distribution, and placement for their products and services.

ACTIVITY 4- Export Education and Export Awareness

SP-Y4-Export # 3 - Editing and Publishing of the electronic newsletter "Exporter"

Given the objective of increasing public awareness of export promotion activities and export knowledge, InvestMacedonia, supported by the Project, began publishing the electronic newsletter "Exporter" in January 2013 under SP-Y3-Export-#2. This scope of work (SP-Y4-Export-#3) provides for continuation of the Project support to the publishing of "Exporter" in 2014.

The newsletter is produced quarterly by InvestMacedonia, covering export news and providing information on the activities of InvestMacedonia, the Ministry of Economy, other ministries and public institutions; information on private sector chambers and other business associations; best practices from successful exporting companies; donor-funded export activities; a section for export education and information on forthcoming international trade fairs. Covering the actualities in Macedonian and regional export and trade and also gives insight into the recently-developed sectorial export curriculum for the apparel sector (developed by and with support of the IDEAS Project).

SP-Y4-Export # 4- Export Education and Export Awareness- Training for the companies

The Project in cooperation with the Agency for Entrepreneurship Promotion and InvestMacedonia organized a one-day training on the topic "The use of Social Media in Export Marketing" on December 5, 2013, in Skopje. The overall objective of the training was to increase the knowledge of export-oriented companies on the benefits of using social media in their export marketing activities. The IDEAS Project, together with its partner organizations organized the training which was attended by representatives of 28 private companies and associations. This training was the first of two trainings to be implemented under this SoW.

The second training was organized on March 27 and covered the importance of branding and marketing in the internationalization of businesses (brand strategy, including manuals, toolkits, advertisements, campaigns). The Agency for Entrepreneurship Promotion (AEP) in collaboration with the IDEAS Project

made all necessary logistical preparations for this training. The training entitled: “Branding and Export Marketing”, was attended by 45 participants, representing around 20 private companies (members of the AEP); officials from InvestMacedonia; Ministry of Economy and USAID Micro & Small Enterprises Project, implemented by CEED Macedonia. Both AEP and the companies were highly satisfied with the delivery of the trainings, extending a request for continuation of trainings on similar topics, since they find them very beneficial, especially for small and medium sized companies.

The Agency for Entrepreneurship Promotion, based on the companies’ needs, extended an additional request to IDEAS for preparation of a “manual for creation of a branding strategy”, as a wrap-up of the activities undertaken in the export education area. This additional activity was approved by USAID and the Manual was finalized by the end of June.

ACTIVITY 5 - Institutional Development of InvestMacedonia

SP-Y4-Export # 5- Upgrade of the web portal and CRM system linkages of the Agency for Foreign Investments and Export Promotion

InvestMacedonia representatives were involved in providing input and supervising activities undertaken by the IT Company that implemented the upgrades.

The following activities were completed:

- Structure and design of the web portal;
- Development from design to solution;
- Presentation of the final design to InvestMacedonia representatives;
- Adjustment and fine-tuning of the design;
- Upgrade of the basic menu;
- Initial information and content upload finalized.

YEAR 5

In the reporting period the Export Support component held final wrap-up meetings with its main counterparts. Both the Agency for Foreign Investments and Export Promotion (InvestMacedonia) and the Agency for Entrepreneurship Promotion (AEP) acknowledged the effort and support provided by the IDEAS Project and USAID in the area of export promotion support. The main conclusion was that the Project provided substantial support during the prior four years, particularly in areas significant for appropriate functioning of the institutions and the implementation of their mandates and functions. These include organizational and strategic aspects; capacity-building for the counterparts’ staff; introduction of new methodologies and tools; direct and indirect support in organization of trade missions; support in implementation of GoM measures; and trainings and capacity-building for export oriented companies.

After the completion of the last trade mission/fair visit to CEBIT in Istanbul from 11 – 14 September, 2014 with InvestMacedonia, the Project developed a guide for “Successful Participation at Trade Fairs”. The final version of this guide was submitted in October, 2014 to InvestMacedonia.

Theme 3: Continued Professionalization of the Public Procurement system

YEAR I

Booz Allen Hamilton engaged and subcontracted the Center for Solutions and Reforms REFORMIKO to implement activities in the Public Procurement (PP) area in conjunction with relevant stakeholders, as a professional organization with recognized expertise in this area. Since the end of July 2011, REFORMIKO has been implementing various activities oriented toward (1) improving the status and capacity of the Public Procurement Bureau (PPB) and public procurement profession, and (2) increasing the usage and promotion of the eProcurement system.

SP-YI-PP No. I

- **Improving the status and capacity of the PPB and public procurement profession**

Catalogue of Competencies for the Public Procurement Officers

The REFORMIKO team worked on drafting the Catalogue of Competencies for the PP Officers. For this purpose, the team worked closely with PPB staff, but it also had meetings and communication with the Ministry of Information Society and Administration (MISA), as the institution responsible for professional and educational development of the civil servants (including PP officers) and for development of the Overall Catalogue of Competencies for Civil Servants. The Catalogue is now finalized and endorsed by PPB officials, and the IDEAS Team launched activities to promote the Catalogue among the contracting authorities (CA). Having this document makes it easier for the CA to appoint competent and qualified staff to work on public procurements and will contribute toward developing and strengthening the PP profession.

Study Tour to Belgrade, Serbia

To collect information about other countries' experiences relating to the PP system—especially the legal status of the PP authority, training system (providers, curriculum, software tool), and certification of the PP officers—the five-member delegation, consisting of Macedonian PPB representatives and the REFORMIKO team travelled to Belgrade, Serbia. The delegation attended several meetings with relevant public authorities and private companies to discuss the legal status of the public procurement authority and the contracting authorities in general, legal provisions relating to the training process and certification of public procurement officers, along with their practical implementation, using software tools to conduct training and examination; and eProcurement system specifics.

Technical Specification for Training Software

Since at least two training sessions have been organized each month (attended by roughly 40 participants), it was necessary for PPB staff involved in organizing the trainings and examination to use an IT tool to facilitate the entire process. Based on the needs described by PPB staff and the similar software applications that were reviewed (including the Serbian experience), REFORMIKO experts drafted a technical specification. This specification was shared with relevant PPB staff who offered useful suggestions, which were incorporated into the final version.

Internship Program

Two young people were engaged through the project to work as interns within PPB for 6 months. The PPB staff and REFORMIKO team trained these interns and provided them with continuous instruction so that they could better understand their tasks and fulfill their roles. According to PPB management, the interns provided valuable assistance.

SP-YI-PP-#2

- **Increase usage and promotion of the eProcurement system**

Action Plan for further development of the eProcurement system, 2011–2012

The REFORMIKO team drafted an action plan for further development of the eProcurement system for 2011–2012. The action plan encompassed the latest developments, particularly requests and/or government conclusions in relation to the eProcurements, such as the need to procure new hardware, introduction of electronic tools for low-value procurements, and the need for legislative modifications. All these novelties are aligned with the broader goals of the public procurement policy. The PPB Director endorsed the final version at the end of August 2011. The action plan was used as guidelines to PPB and in general to creators of the Government policy as to how to achieve eProcurement goals promptly and efficiently.

Model contract for procurement of software application development

REFORMIKO experts drafted the model contract and incorporated the comments and proposals that PPB and MISA provided during the drafting process. REFORMIKO experts also composed an explanatory note to help users better understand the goal, specifics, and manner of usage of this contract. REFORMIKO and PPB planned to organize a broader presentation of the model contract. REFORMIKO experts are ready to help those contracting authorities that will use (and adapt) the contract for procuring specific software application.

COMPONENT B— PUBLIC-PRIVATE DIALOGUE (PPD) ENHANCED

YEAR I

After a series of consultation sessions with all stakeholders, the project managed to create the necessary conditions for creating a sustainable public-private dialogue (PPD) process. The four national chambers of commerce (CoC) were assisted in the process of building capacities to become a relevant counterpart of the GoM by creating policy papers. The CoCs selected and supported four policy papers on various issues. The CoCs also accepted our proposal to not only formalize a team consisting of professionals within their structure who specialize in policy papers but also establish a requirement that this team will review all proposals and initiatives before they are publicized. This represents the key improvement of the private sector's position as a stakeholder in the PPD process and offers a lasting and sustainable solution.

SP-YI-PPD No.1

- **Help CoCs create policy papers focused on export and investment.**

As a result of the IDEAS Project's efforts, the four national CoCs accepted our proposal to assign a team of professionals within their structure, working on producing policy papers based on analysis and elaboration. The team communicates regularly and directly with their counterparts at public institutions, thereby providing the most efficient way to perform PPD. The team was officialized in its legal acts, making it their obligation to review all proposals and ideas before being publicized. These CoCs worked with our experts to create policy papers addressing various issues focusing on export and investment, while learning from the process and strengthening their internal capacities.

SP-YI-PPD No. 2

- **Training with the public and private sector on the RIA mechanism and the benefits of the ENER system, and review and identification of possible improvements.**

A series of coordination meetings and consultations was held with a team of officials from the Cabinet of the Vice-Prime-Minister for economic issues, led by Mrs. Popovic-Trajkova, Head of the Department for Economic Policies and Regulatory Reforms. The approach and the specific activities in this area were determined, resulting in a scope of work planned to be submitted for approval. We jointly analyzed the strategic documents and the review analysis that the GoM and its experts performed, identifying weak points and issues to be solved and thereby defining the need of support. However, because of changes in the personnel structure of the Cabinet of the Vice-Prime-minister for Economic Affairs and the ongoing review of the GoM's plans in the field of RIA and PPD, at request of the Cabinet, the submission of the scope of work was delayed, including amendments in the GoM procedures for an institutionalized and sustainable PPD. We agreed to build on the achievements made so far and coordinate our efforts with various projects performed and still ongoing in PPD (Organization for Security and Cooperation in Europe [OSCE], British program) and to provide our support in accordance with the needs that the Cabinet of the Vice-Prime-minister emphasized for economic issues as the national coordinating point for PPD.

SP-YI-PPD No. 3

- **Workshop with the media on PPD and its various mechanisms and advocacy approaches**

The activities with the media, including the workshop on PPD, were delayed for year 2 of the Project as result of the delayed preparation phase of the public administration for the initiation of NECC, ESC, and RIA/ENER activities and the ongoing promotion of policy papers in the public. Moreover, USAID's policy of low media visibility during elections was key for the Project's decision to postpone this event.

SP-YI-PPD No. 4

- **Provide advocacy for best practices, knowledge sharing, and training for Macedonian CoCs**

In collaboration with the CoCs, our focus in FY11 was in line with creating new teams of professionals responsible for policy paper creation, RIA/ENER, and the PPD process as a whole, and working directly on their status in the institution and their ability to create relevant policy documents. These two are the main preconditions for any other activities. The activities connected to education sessions about knowledge sharing, best practice presentation, and specific training for CoC staff were delayed for Year 2 because the existent human resources of the CoCs were insufficient for such a systematic approach.

Other Component Activities

In addition to specified activities, under the planned support of the National Entrepreneurship and Competitiveness Council (NECC), in FY11, we supported the realization of the annual national survey on competitiveness for the Republic of Macedonia, as part of the annual report of the World Economic Forum (WEF), thereby making it possible for Macedonia to remain listed in this very significant report and provide its position on the global competitiveness review. This activity was realized at the request of the GoM.

YEAR 2

In fiscal year 2012 (FY12), the Project implemented six activities under this theme. The main accomplishments from the activities are described below.

ACTIVITY I – Support to the NECC**SP-Y2-PPD-No.1- Establishing a National Entrepreneurship and Competitiveness Council (NECC)**

The Project was approached by the GoM to review and establish a new sustainable model for NECC. After consultations with all present and potential stakeholders, the previous model of the Council was reviewed and recommendations were gathered to establish a new form and entity of NECC. Therefore, the Project created a platform for the final round of consultations between the GoM and the CoC's along with other business associations and provided suggestions to the business community.

The Project identified a legal expert and completed a regulatory harmonization in accordance with the outcome of the negotiations of all stakeholders. All legal acts were prepared as planned in the SoW and a final decision by the stakeholders on the new model was brought forward for consultation with

stakeholders. The GoM published an open call in the daily newspapers for membership applications and announced the founding Assembly session. The session was held at the premises of the GoM, presided by the DPMEA, Mr. Pesevski and with the presence of a large number of stakeholders. At this first initiation session, positions and opinions were exchanged, pointing out the issues and challenges to be addressed prior to the official registration of the NECC. The legal experts engaged by the Project continued to work with the relevant counterparts on these issues and an official founding assembly, as prescribed with the valid regulation was completed. The first assembly of the NECC was successfully held on August 23, 2012 hosted by the GoM and with participation of IDEAS representatives. Governing and managing bodies were elected and the DPMEA, Mr. Vladimir Peshevski was appointed President of the Managing Board.

On September 20, 2012 the first regular session of the NECC took place, to review specific issues and proposals from the business community and have the PPD process brought to reality. In November 2012, the PPD-team continued its assistance to the newly established NECC in building a sustainable performance model. The Project team continued to assist the NECC team at the DPMEA's cabinet in determining the priorities and contents of the second regular session, held on December 2012. At this session the KonkurentnostMK web portal was presented in coordination with the PPD team.

During December 2012, the project worked with the NECC DPMEA team on establishing five committees and four subcommittees, hosting 9 working sessions with a total of 122 committee members and nominating 9 committee chairpersons as well as the determination of the organizational concept and sustainable model of the NECC executive office and its team. The PPD also provided advice on issues regarding budgeting, membership fee collection and others. The NECC team relies heavily on the Project's support in those areas. The Project maintains daily communication with the NECC team and will continue to do so, to enable its sustainability, until the team of hired professionals is ready to take over.

ACTIVITY 2 – Support the chambers of commerce for the creation of and advocating for relevant policy papers

Under this activity, in FY12 the Project engaged an international consultant to develop a policy paper for unique value proposition for the Macedonian software and IT services industry (SP-Y2-PPD No.2) and to finalize the policy papers for the Economic Chamber of Macedonia and the Economic Chamber of North-Western Macedonia from the previous year (SP-Y1-PPD No.1). The achievements from these activities are described below.

SP-Y2-PPD No.2-Engagement of international consultant for development of Policy Paper for unique value proposition for the Macedonian software and IT services industry

The objective of the activity was to develop a policy paper for the ICT Chamber of Commerce, MASIT, which will help the Chamber to identify the unique strengths and competitive advantages of the ICT sector and help support the export potential of its members. The process of creating the policy paper was defined in a manner that enabled CoC staff to learn from the process and the expert, so that they will be capable to create relevant policy papers on their own in the future.

In this regard, MASIT identified an international consultant to, jointly with the CoC staff, conduct research and prepare a study with the aim of identifying and assessing the strengths and in particular the unique competitive features of the Macedonian software and IT services industry. The policy paper was the foundation for the successful participation of ICT companies at the Gartner Outsourcing summit

held in London, UK in October 2012, where 12 leading Macedonian IT companies exhibited their products.

SP-Y1-PPD No.1- Assistance to CoCs to create policy papers focused on export and investment

Assistance to the Economic Chamber of Macedonia (ECM) in the development of a Policy Paper for autonomous measures for enhanced export of the food industry

In the course of FY12, the PPD team continued the meetings with the professionals of the ECM and the selected expert working on the policy paper. The document was successfully finalized and reviewed and officially presented at the NECC session.

Public Debate on “Assessment of the wood industry in the Polog region” Policy Paper for the Economic Chamber of North-Western Macedonia (ECNWM)

In FY12 the policy paper was finalized and presented during a public debate organized by the ECNWM for its member-companies in Tetovo. The debate was attended by more than 30 managers.

ACTIVITY 3 – Support to the implementation of the Regulatory Impact Assessment (RIA)

SP-Y2-PPD-No.3- Assistance to MISA to improve the existing ENER mechanism and organize workshops to engage the private and civil sector in the RIA process

The Minister of Information Society and Administration and the Project Director signed a Memorandum of Understanding (MoU) expressing their mutual cooperation in upgrading the www.ener.gov.mk web portal. Prior to signing the MoU, consultation meetings were organized with the authorized professionals of the MISA and with the software experts previously working on the basic ENER solution in order to assist the process of identifying necessary improvements to the system. Technical specifications of the new system must be compliant so that it would successfully serve the purpose it was given in the RIA process of consultations of the public in the PPD process.

The software upgrade was successfully completed by Ein-Sof, and the provisional acceptance document was duly signed by all counterparts on July 20, 2012. A trial period commenced and after all remaining activities were completed, the solution became operational in September. In August and September, more than 30 professionals from the public administration were trained on the new solution by Ein-Sof. The new upgraded portal was officially promoted on November 2, when the high-level event was organized and three IT solutions developed by the Project were unveiled. In order to assure broader utilization of the portal by all relevant stakeholders, the Project together with the Ministry of Information Society and Administration, organized training in Strumica, with 35 representatives from the relevant ministries, Chamber of Commerce, NGOs and business media.

ACTIVITY 4 – Support to the Economic Social Council (ESC)

SP-Y2-PPD-No.4- Implementation of ISO26000 as a national standard

The purpose of this special project was to assist the initiative of Employers Organization of Macedonia (EOM) to enhance the nation-wide implementation of new standards which will positively influence the business community of Macedonia, providing better conditions to improve their internal processes and their export and investment readiness and competitiveness. The following counterparts were actively involved in the project implementation: Economic-Social Council, Employers Organization of Macedonia and the Institute of Standardization of the Republic of Macedonia. In this regard, the Project provided assistance to the National Institute of Standardization (ISRM) to translate the international standard and engaged relevant experts to review and determine the final text of the standard.

The Employers Organization of Macedonia (EOM) was identified by IDEAS as the relevant counterpart from the private sector in the Economic-Social Council (ESC) as the only private sector representative to advocate all initiatives and needs of the business community. Since, the ESC works on different initiatives it was decided that support of the EOM would strengthen its capacities and its significant role in this very important national PPD mechanism.

ACTIVITY 5 – Assistance in establishing a sustainable dialogue between the business community and the judiciary system-Judges

SP-Y2-PPD-No. 5- Harmonization and strengthening of the judicial practice through Public Private Dialogue

The purpose of this activity was to assess specialized training needs for commercial judges and commercial lawyers and develop recommendations for specialized trainings for commercial judges. This special project was developed and implemented in cooperation with USAID Judicial Strengthening Project (JSP) and the Academy for Judges and Public Prosecutors of Macedonia.

The Project was involved in this activity through providing input for designing the questionnaire in order to obtain feedback from the business community about their experiences in commercial law; disseminating the final version of the survey tool to CoCs; analyzing the received feedback; co-organizing the event and presenting the survey findings at the roundtable.

Approximately 50 representatives from the judicial, business and legal communities have gathered for the first time to discuss the need for continuous training of judges that decide commercial cases. The 14 representatives of the 6 business associations and chambers of commerce actively participated in the discussion by providing lessons learned, suggestions and recommendations based on their experiences with courts especially with Commercial Law. Eight commercial law companies and eleven judges from selected basic and appellate courts were also present at the discussion.

This debate was crucial in defining themes, which will be included in the continuous training plan for judges and public prosecutors, prepared by the Academy for Judges and Public Prosecutors for 2013. At the event, a Press Release was distributed by the Academy. Subsequently, the event gained positive media coverage with 10 articles published in various media.

ACTIVITY 6 – Guide on creating policy papers for the business sector

SP-Y2-PPD-No.6- Guide on creating policy papers for the business sector

The objective of the activity was to prepare a guide on creating policy papers for the business sector in the form of a toolkit, as part of the activities undertaken in order to successfully improve the capacities of the Chambers of commerce and business community associations in the Republic of Macedonia and thereby build them into a relevant and capable counterpart in the public-private dialogue (PPD) process on a national level. With this activity, the Project's aim was to create a handbook that will help private sector in the process of policy proposal issuing and review, offering a systematic approach to experienced and new team members.

YEAR 3

The main focus for activities in Year Three was on providing operational support to the National Entrepreneurship and Competitiveness Council (NECC); capacity building for the Ministry of

Information Society and Administration on RIA/ENER; and capacity building for the Business Associations in public-private dialogue.

ACTIVITY I – Support to the NECC

SP-Y3-PPD-#1 - Promotion of e-government solutions supported by IDEAS to the business community

The general objective was to present e-government solutions developed by governmental institutions in cooperation with the Project to private sector companies as well as the broader public and demonstrate the practical benefits of their usage. These solutions assisted in creating a transparent, competitive and favorable business environment that will contribute to achieving a sustainable and growing economy in the country. The three applications promoted were KonkurentnostMK (www.konkurentnost.mk), the web portal for exporters (www.investinmacedonia.com/node/53) and the ENER web portal (www.ener.gov.mk).

As part of the activity, five promotional events were organized, in Bitola, Tetovo, Shtip, Prilep and Kumanovo. These events were organized in coordination with the business chambers and associations, the local economic development departments, the Agency for Foreign Investment and Export Promotion, the Ministry of Economy, the Ministry of Information Society and Administration, and the components A1 and A2 of IDEAS. The Project's main partner in their organization was NECC. The events gained vast media coverage.

SP-Y3-PPD-#2 – Operational support to the NECC

During Year Three, Project efforts focused on two main priorities: establishing the executive office as a sustainable model of operation and carrying out content-providing activities for the NECC and building its position as a key stakeholder in PPD at a national level. Achievements related to both priorities were very positively evaluated by the NECC assembly. The Project, in its role as executive office of the NECC, organized and hosted several working sessions of its committees; participated at relevant business events and meetings; and represented NECC in national and local media.

An open meeting event was also organized where more than 80 business representatives from business associations and companies attended. Also, NECC and its HR committee, coordinated by the Project, participated in defining the Brain-drain strategy and action plan, currently being submitted to the GoM for review.

In the last quarter of Year Three, the NECC in cooperation with the Ministry of Labor and Social Policy and the State Employment Agency, organized the “Forums with the business community” activity. It consisted of a series of forums held in 27 municipalities, drawing a total of approximately 600 business representatives from business associations and companies. It involved one-day events with the Minister of Labor and Social Policy, the State Employment Agency, local self-government and the DPMEA cabinet. These events garnered significant media coverage.

In addition, the Project PPD staff, in its role as the executive office, prepared the two-day policy paper training for CoC's and BA in Gevgelija. The training was organized in coordination with experts and private business representatives. As an activity agreed upon as a joint effort with USAID's Small Business Expansion Project (SBEP), the PPD Component Lead participated in a regional coordination meeting in Tetovo on issues concerning diaspora investment activities in the Polog region. Also attending were officials from the Chamber of Commerce of North-Western Macedonia and other local authorities. All

parties agreed that future activities should enhance the role of NECC and the CoC's throughout Macedonia in this field, to result in specific SoWs for 2014.

Along with the public promotion of NECC, the procedure for developing a NECC website was successfully finalized in September, as part of the visual identity development process reviewed and accepted by the Project's counterpart institution.

SP-Y3-Media/PPD# 3-The Role of the Business Community in People with Disability Inclusion -roundtable

In Year 3, the PPD and the PR teams identified an activity related to Inclusive Development. In August, the Project developed a Special Project, entitled: "The Role of the Business Community in Inclusion of People with Disability" – roundtable. Summary information on this activity appears in the section on PR under SP-Y3-Media/PPD# 3.

ACTIVITY 2 – Support to implementation of Regulatory Impact Assessment (RIA)

SP-Y3-PPD-#5- Expert assistance to analyze the current ENER solution and the RIA model

During Year Three, the Project developed a promotional brochure for the ENER web portal, provided translation and printed it in Macedonian and Albanian. The brochure was disseminated to the business community at all promotional and NECC events, as well promoted through media. In addition to this, in the course of Year Three, the Project completed procurement procedures for engaging a local expert to conduct a RIA/ENER review.

The Project organized a coordinative meeting for reviewing the existent electronic solution - ENER - and proposed improvements toward creation of a sound and consistent Public Private Dialogue in terms of public consultation in the regulatory process. The meeting was attended by representatives from eleven ministries, and the experts engaged by IDEAS. The main goal of the meeting was to analyze ENER's strengths and weaknesses as a foundation for further improvement of its performance.

After obtaining the expectations and recommendations from the participants, the consultant analyzed the portal and provided recommendations for improvements. Recommendations for improvements of the current ENER solution and the RIA model were presented and discussed with the attendees of a follow-on meeting. Also, the consultant provided long- and short-term recommendations on ENER as an instrument, toward creation of a sound and consistent PPD in terms of public consultation in the regulatory process. In addition to the portal, the Project engaged MISA and Ein-Sof to collaborate on the ongoing maintenance upgrades of ENER as foreseen in our work plan.

SP-Y3-PPD-#3- Capacity building of Ministry of Information Society and Administration (MISA) and RIA/ENER achievements presentation

In the reporting period, the Project organized a study visit to the Italian Government-Department for Regulatory affairs-RIA Division, the RIA Observatory Institute MIPA and the RIA Project team - Formez in Rome, for Ms. Dimitrovska from MISA, achieving results on several levels:

- Knowledge exchange, establishment of a partnership and learning from the Italian RIA authorities on the highest level,
- Introduction of the Macedonian RIA/ENER model to RIA professionals from 9 countries on three continents, and learning from their experiences,
- Participation at the international RIA training in Rome, Italy, May 13-17, 2013,

- Establishment of cooperation with Italian institutes, EU designated RIA project staff and NGOs active in RIA and public consultation in the regulatory process, to support growth in the future.

This visit was successfully realized, in coordination with, and at the request of MISA, producing benefits for the RIA development process in Macedonia.

ACTIVITY 3 – Strengthening capacities of CoC/BA to engage in PPD

SP-Y3-PPD-#4 - Training on creating policy papers for the business community

During Year Three, a series of preparation sessions were held with representatives of different CoC/BA in order to identify their strengths and weaknesses and prioritize assistance. The Project focused on time schedules and coordination of activities with the NECC. More specifically, the representatives of the CoC/BA participated in three trainings organized by the Project:

- The Project Management Professional training, held in June;
- Communication and Presentations Skills and Public Speaking Training, held in July; and
- Training on creating policy papers for the business community, held in September.

The main impact of this project activity is a skilled, stable and sustainable group of professionals in every CoC and together, from all CoCs and business associations, able to propose relevant policy papers themselves, as relevant counterparts in the PPD process on national level. In addition, this activity is expected to strengthen the role of the Chambers of Commerce and other business associations in the process of policy making and to build capacities of the private sector for dialogue with the GoM. Consequently, this activity is expected to raise the level of dialogue between the private and the public sector (the GoM in general) in developing sound economic policies, through practicing effective and constructive communication.

YEAR 4

The main focus for activities in Year Four of the project was on providing continuous operational support to the National Entrepreneurship and Competitiveness Council (NECC); capacity building for the Ministry of Information Society and Administration on RIA/ENER; and capacity building for the Business Associations in advocacy and public-private dialogue.

In the field of NECC, a series of additional activities to those planned were held, resulting in NECC becoming a member of the World Bank PPD initiative, having co-hosted 48 forums with businesses in municipalities throughout the country, with our partners: the MLSP, the Employment agency and UNDP Macedonia.

The new public consultation instrument, ENER in combination with the newly prepared and adopted RIA regulations by the GoM comes as result of the strengthened political will in different levels of the administration. For that purpose, the high-level seminar for State Secretaries on RIA/ENER was of crucial importance, providing their awareness and support to the process. Activities implemented during Year Four, under this component, were grouped in three categories. Note: The Special Projects are presented by activity group in which they belong, and not by order of the numbers.

ACTIVITY I – Supporting the NECC

SP-Y4-PPD-#3- Operational support to the NECC

The main objective of this activity was to assist the operational performance of the National Entrepreneurship and Competitiveness Council of RM (NECC) in its second year with the objective of building a sustainable model for the period after the Project completion. During the reporting period, the support as executive office continued as planned:

- Coordination with NECC members was performed for professionalization of the executive office, finalized in September;
- The Partnership agreement harmonization with the GoM continued to be finalized by the end of 2014. Meetings with different agencies and institutions continued with direct participation of IDEAS representatives;
- The sustainability efforts of the PPD team continued with stakeholders;
- Ongoing assistance on meetings, coordination and administration for NECC needs.

SP-Y4-PPD-#5- Policy paper trainings for NECC members

The main objective of this activity was to assist the members of NECC in their capacity to define policy proposals based on research, evidence and analysis and become a relevant partner of the GoM. The expert continued her work on the curriculum for Module II of the training, in communication with the IDEAS PPD team and the NECC members to identify priority areas of focus. The curriculum was finalized in February. The training was held on March 27-28 in Ohrid, with 15 participants from 8 CoCs/business associations as well as three GoM representatives. At this training, three policy proposal analyses were performed and policy options were identified and prioritized, strengthening the capacities of the business community to actively contribute to the process.

SP-Y4-PPD-#6- Participation at the annual PPD World Bank Workshop

The main objective of this activity was to position NECC in the World Bank PPD community, strengthen the capacities of the GoM team responsible for PPD on the national level and promote NECC as a success story of the project's joint effort with the GoM to a community of over 150 PPD practitioners from different countries.

During the reporting period, the communication with the World Bank regarding their invitation and logistical issues was completed, successfully enabling a group of three PPD professionals (the IDEAS PPD Lead and two GoM representatives) to present NECC as a success story and attend this workshop. For that purpose, video material and a case- analysis document were produced by the Project. At special invitation of the WB and based on the achievement in PPD, members of the team were invited to attend the separate "Training of trainers" session (invitation only). The PPD Component Leader and two members of the Deputy Prime Minister for Economic Affairs Cabinet (DPMEA) participated in the annual World Bank Workshop on Public-Private Dialogue in cooperation with GIZ, which took place in Frankfurt, Germany. For that purpose, a 4-page success story document was prepared by the Project and presented to all participants and accepted by the World Bank team.

At the workshop, the IDEAS PPD Component Lead gave three 20-minute-presentations on PPD in Macedonia, including a 3-minute video focusing on NECC achievements and improvements made in the PPD process in the country. The PPD presentation included results accomplished in the field of public consultations in the legislative process with Regulatory Impact Assessment (RIA) and the ENER-public consultation portal, developed by USAID's IDEAS. The participants at this event received access to a

wide base of expertise and literature on PPD of the World Bank. In addition, this presentation enabled the GoM PPD officers to learn and share experiences at the most relevant PPD forum in the world.

The PPD Component Leader also attended the specialized certified one-day PPD training for practitioners which provided our team an opportunity to benefit from the newly acquired knowledge and practices.

SP-Y4-PPD-#7- Public-Private Partnership (PPP) training and dialogue campaign

The purpose of this activity was to promote NECC in this field and assist the GoM in its efforts to strengthen the capacities of the public and private sector in the area of PPPs, through the Ministry of Economy as the responsible authority for this process in Macedonia. The MoE organized a campaign to raise awareness and educate a wide public sector audience on PPP, the regulatory framework, examples and success stories, with a focus on all public sector levels: ministries, municipalities, public enterprises, agencies, public institutions, directorates as well as the business community. A total of 9 trainings were held in the following cities: Skopje (two trainings), Strumica, Stip, Bitola, Ohrid, Gevgelija, Gostivar and Kumanovo. More than 200 participants from the respective institutions attended the trainings.

SP-Y4-PPD-#8- Establishing of the NECC executive office

The purpose of this activity was to assist the establishment of an independent executive office of the National Entrepreneurship and Competitiveness Council of RM (NECC) with the objective of building a sustainable model for the period after the project completion. The process of search, selection and verification of the candidate to be named Executive Director of the NECC executive office was successfully completed in June, by identifying adequate candidates. The process of approving candidates was finished in September, to be followed by further steps of operational assistance.

SP-Y4-PPD-#10- Support to NECC for a Public-private partnership dialogue training for the business community

The Project, in cooperation with the NECC and in participation with the Ministry of Economy (MoE) and AmCham organized a one-day training on May 27 in Skopje. Its purpose was to raise awareness and educate the business community on: Public Private Partnerships (PPP) as business opportunities; the regulatory framework; and PPP examples and success stories, with a focus on all levels of business opportunities, central, regional and local. AmCham Macedonia supported this activity by providing a guest speaker from the United States, an expert on PPP, Mr. Richard Norment from the U.S. National Council for PPP. This activity aimed to strengthen the capacity of the NECC, as well as its relevance and role in the private sector in the area of PPP, in coordination with the MoE.

ACTIVITY 2 – Support to the implementation of the Regulatory Impact Assessment (RIA) and the Unique National Electronic Register of regulations (ENER) as a PPD instrument

SP-Y4-PPD-#1 – Participation and support of the promotion of the Unique National Electronic Regulations (ENER) system at the Macedonian Lawyers Association Conference

The overall objective of this activity was to ensure increased acceptance in the public, private and civil sectors for ENER as a significant instrument for sustainable public-private dialogue (PPD) by influencing legislative quality. The purpose of this activity was to ensure stronger involvement of lawyers from companies, Chambers of Commerce, think tanks, business associations, NGOs and independent

consultancy groups to intensify the use of this instrument to interact with the public sector in formulating economic policies.

Achievements:

- Successful promotion of ENER, PPD and RIA for a wide audience of dedicated professionals and future agents of change-public, private and civil sector representatives;
- Increased ability of the private sector to participate in the policy-making process by building its knowledge and expertise in the domain of law and legislation with the legal community;
- Significantly increased use of ENER and involvement of lawyers from all segments of society in the PPD process by actively contributing to better legislation with this mechanism. In the period 2009-2012 there were 33,046 visits to ENER and on December 31, 2013, a total of 99,012 visits registered, with 65,966 visits in only one year and counting.

SP-Y4-PPD-#2- Organizing training for the public administration (PA) and the business community (BC) to use the Unique National Electronic Regulation (ENER) System

The overall objective of this activity was to increase the public and private sector's ability to use ENER as a tool for sustainable public-private dialogue (PPD). The purpose of this activity is to ensure that ENER is recognized and used by public administration (PA), Chambers of Commerce (CoC's), think tanks, and business associations as the best instrument to interact with the public sector when making economic policies. In order to establish the link to the business community (BC) and leverage other IDEAS activities, the participation of the private sector is being realized in cooperation with the NECC.

The scope of work was approved by USAID on October 18, 2013. During November, IDEAS, in a period of 4 days, organized 9 training sessions. The trainings were organized for the public administration and the business community to use the Unique National Electronic Regulation (ENER) System (www.ener.gov.mk) that was developed with the Project's support. The ENER is a web portal created by the Ministry of Information Society and Administration with the aim of enabling the business sector, civil society and general public to participate in the law drafting processes in partnership with the public sector.

The trainings were organized by the Project in coordination with the Ministry of Information Society and Administration. In total 121 representatives (75 females and 46 males) from 16 Ministries, public institutions and the business community were trained. In addition to improving knowledge and learning how to use the system, the participants from different organizations had an opportunity to build a stronger partnership and collaboration among themselves, based on shared knowledge and trust, creating a sustainable model for their future joint efforts to create better legislation.

SP-Y4-PPD-#4- Consultative session for state secretaries on RIA / ENER

The Project in cooperation with the Ministry of Information Society and Administration (MISA) developed a two-day consultative session for state secretaries on RIA/ENER, designed for state secretaries and other relevant representatives of the ministries.

In February, the IDEAS PPD team, in joint effort with the MISA staff successfully organized this high-level event which took place in Popova Shapka, Tetovo, with more than 20 institution representatives participating. This event strengthened the commitment and coordination among the ministries in the field of RIA/ENER and issued important conclusions and defined next steps to enhance the process on a national level and the partnership relation with the private sector.

SP-Y4-PPD-#13 – Upgrade of the Unique National Electronic Regulation (ENER) system

After having successfully completed the assignment in Y3, the performed expert analysis of RIA and ENER in Macedonia was approved by the Minister of Information Society and Administration for the next phase of the upgrade and further steps were agreed upon. These efforts continued as planned. The 7-member ENER upgrade working group continuously worked on defining the task dynamics for 2014, to result in a completely improved solution in the best interest of the business community, and a tool to enable the private sector to become engaged in the policy-making process. The Project, in cooperation with the MISA and the selected expert developed a 57-page technical specification in the form of a list of requirements for the needed improvement of the solution. The process was realized as planned under constant monitoring and full involvement of the PPD team in the process. The upgrade was completed in September resulting in a completely new ENER, to the satisfaction of the MISA and the wider community of users.

SP-Y4-PPD-#9- Training for heads of departments and sectors in the public administration on RIA and use of the ENER

IDEAS organized two trainings on Regulatory Impact Assessment (RIA) and use of the Unique National Electronic Regulation System, for 28 heads of departments and sectors in the public administration, representing 17 Ministries and public institutions. These sessions were held with the Ministry of Information Society and Administration and the relevant civil servants in charge of RIA/ENER implementation. The purpose of this activity was to increase the mid-level civil servants' ability to engage in RIA and use ENER as a consultative and PPD tool, ensuring that heads of departments and sectors in the public sector and other mid-level public servants are acquainted with the concept and duties defined in the legislation.

SP-Y4-PPD-#12 – Mentor and Develop Policy Papers for the NECC Business Community

The Project, in cooperation with the NECC, aims to increase the quality and effectiveness of PPD by strengthening capacities for the development of policy papers by the business community. Despite the notable improvement in this process following previous trainings and the creation and distribution of the Guide for Policy Paper Creation, the policy papers produced were of poor quality. The selected expert team developed the mentoring-concept and held a series of workshops for NECC member-institutions staff who will work on policy proposals together, under the guidance of three experts in the field. The team of experts coached and mentored participants on the process of creating three policy papers, with efforts focused on conducting research, defining the priority issues, identifying policy measures, generating conclusions, and making recommendations for priority issues identified as impediments to the economy's competitiveness.

YEAR 5**ACTIVITY I – Supporting the NECC****SP-Y4-PPD-#3- Operational support to the NECC**

During the reporting period, our support as executive office continued as planned:

- Coordination with NECC members was performed for professionalization of the executive office (see SP-Y4-PPD-#8);

- IDEAS's PPD Component team assisted the organization and attended a series of Forums with businesses in Veles, Sveti Nikole, Prilep, Kavadarci, Kriva Palanka, Kratovo.
- The PPD team organized and hosted the NECC stand at the first Employment Fair in Skopje, and Negotino, to be continued in six more cities through 2014;
- IDEAS's Goran Lazarevski successfully completed his participation at the MoE's "Business plan 2014 award" committee on behalf of NECC;
- IDEAS organized the partnership status and high visibility and promotion of NECC at the International Conference "*CSR as a condition for competitiveness of businesses*" on October 28 in Skopje, and the signing of a MoU with the Macedonian UN GlobalCompact business network, with over 140 guests from over 20 European countries and USA and attendance of the DPMEA on behalf of NECC, promoting and supporting the new NECC staff;
- On October 29, our Project organized the participation of NECC at the "European Entrepreneurship Week" Conference in Skopje with a business community speaker and the promotion of NECC and attendance of the NECC staff and member-companies.

SP-Y4-PPD-#8- Establishing of the NECC executive office

This task was successfully completed in October 2014, with the hiring of two professional staff members, following a public call for applications for employment, with over 90 applications and 22 interviews with potential candidates. Also in October, facilities for the NECC were identified, to be potentially supported in Year 5 of the IDEAS Project.

COMPONENT I: ENHANCED INTERNATIONAL TRADE INTEGRATION AND TRADE FACILITATION

Year 5

Upgrades to the TIDZ Directorate website

The TIDZ Directorate website was upgraded and modernized as part of IDEAS' previous year work plan and was expected to be launched and fully functional by the end of September. However, the TIDZ Directorate's preference to have the design approved by their highest management resulted in a delay of the planned timetable for implementation of activities.

The development of the new and improved website was completed during December. A significant share of the work was devoted to the design of interactive maps of the technological industrial development zones that are currently operating in Macedonia or for which the Government of Macedonia has precisely defined the land coordinates and particular land slots. The TIDZ employees were trained on updating the website and creating interactive maps of free zones.

SP-Y5-Trade-#1 - Organization of CEFTA Week 2014

CEFTA Week 2014 was held on November 19-20 at the Holiday Inn in Skopje under the Macedonian Chairmanship of the Central European Free Trade Agreement - CEFTA. Project assistance for this activity continued with the preparation and completion of the CEFTA Week 2014 Final Report. Based on audio recordings of the event, the Project drafted a summary of every presentation delivered, noting the main points of the discussions held after each of the four sessions and capturing the key recommendations drawn by the moderators. Once completed, the draft report was submitted to the CEFTA Secretariat and the Macedonian Ministry of Economy for approval and formatted for printing. The Project printed 200 copies of the report – 100 were sent to the CEFTA Secretariat in Brussels and 90 copies were delivered to the Ministry of Economy to distribute them to the CEFTA Parties and a variety of national and international stakeholders. In addition, an electronic version of the report was sent out to all CEFTA Week 2014 participants.



National Trade Facilitation Committee and Trade Facilitation Enquiry Point

The self-assessment of the compliance of Macedonia's legislation and procedures in the area of trade facilitation with the new WTO Agreement on Trade Facilitation (TFA) was carried out in March 2014 with USAID support. One of the main findings of this exercise was that Macedonia does not have in place two bodies required by the Agreement - National Trade Facilitation Committee and Trade Facilitation Enquiry Point. Following the self-assessment, the Ministry of Economy prepared information for the Government of Macedonia (GoM) elaborating the findings and requesting it to adopt the decisions needed for Macedonia to achieve full compliance with TFA as a main precondition for its ratification by the Parliament.

Upon review of the information held on October 21, 2014, the GoM issued a decision for establishment of a TF Committee under the leadership and coordination of the Ministry of Economy and TF Enquiry

Point within the Macedonian Customs Administration. Both bodies were to be established immediately after TFA ratification. Under this activity, the project supported the process of establishment of these two bodies by assisting the responsible institutions to prepare the acts and documents necessary for their efficient operation.

The Law ratifying the WTO Agreement on Trade Facilitation was enacted by the Macedonian Parliament on July 29, 2015 and published in Official Gazette 130/2015. Upon submission of the Instrument of Acceptance submitted by the Government to the World Trade Organization through diplomatic channels, Macedonia became the 50th WTO member to become a party to the Agreement on Trade Facilitation. At this moment, Macedonia is the only country from the CEFTA region to have completed this process.

In both March and August, the project senior advisor had a meeting with Biljana Dodevska, State Advisor at the Ministry of Economy and the staff of the Department on International Trade Cooperation to discuss their expectations with regard to the possible time of completion of the TFA ratification and the type and the pace of project assistance and next steps for establishment of Macedonia's national trade facilitation committee. Upon Ms. Dodevska's suggestion, the interagency coordination in this regard began in September. To inform and facilitate discussions on the scope and the operating structure of NTFC, i.e. its objectives, mandate, degree of institutionalization, membership, operating procedures, etc., and to facilitate the adoption of necessary decisions, IDEAS developed a concept paper that was presented to the involved stakeholders prior to the launch of the consultations.

In December, IDEAS discussed future steps with the Ministry of Economy and the Customs Administration as key institutions for establishment of the Macedonian NTFC.

SP-Y5-Trade-#2 - Translation of the WTO Agreement on Trade Facilitation

In order to meet its obligations as a member of the World Trade Organization (WTO), the Republic of Macedonia must ratify the new WTO Agreement on Trade Facilitation (TFA) adopted at the organization's last Ministerial Conference held in Bali in December 2013.

The ratification is a formal precondition for incorporating TFA into the legal framework that governs Macedonian international trade regime. To initiate this process, the Ministry of Economy requires the TFA to be translated into Macedonian language and requested assistance for this from the Project, as an entity that has the necessary experience to produce a reliable Macedonian version of the Agreement. The scope of work for this activity was approved by USAID on January 20, 2015.

Following the approval of the scope of work, the project contracted two translators who have in the past translated previous relevant WTO agreements (Results of the Uruguay Round of Negotiations – Legal Texts). Immediately thereafter, the Ministry of Economy initiated the process for its ratification by submitting the necessary documents to the Ministry of Foreign Affairs. To complete ratification and become an integral part of the Macedonian legal system, the Agreement first must be approved by the Government and then adopted by Parliament. The Project will closely follow developments and support this process.

In April 2015, the Ministry requested additional assistance for translation of the Protocol for Amending the Marrakesh Agreement on Establishing the World Trade Organization, which also must accompany the Agreement in the ratification process. The Project promptly accommodated this request.

Capacity Building for Customs Administration Transit Coordinators

The implementation of the EU common transit procedure – a process that should be completed by Macedonia acceding to the EU Convention on Common Transit Procedures, is one of the key trade facilitation challenges for Macedonia for 2015.

One of the important segments for successful inclusion of Macedonia in the EU common transit system is the development of an efficient network of transit coordinators, who should serve as contact points for all transit-related issues with other customs administrations, as well as with the business community. One national, five regional and eleven local transit coordinators have been appointed under a decision



Meeting peers from Slovenian Customs



Port of Koper

by the Director of Customs Administration in April 2014. To be able to perform their role in the implementation of the common transit procedure and the functioning of the New Computerized Transit System - NCTS, transit coordinators need to receive practical training that will help them fully understand their responsibilities for coordination of transit operations and perform them in an efficient and effective way.

During February, the Project engaged in consultations with the Customs Administration regarding the best way to strengthen the capacity of transit coordinators. At these meetings, two models of assistance were discussed – a study visit to the customs authorities of a member of the EU Common Transit Convention or a practical training organized in Macedonia. They jointly selected the Slovenian Customs Administration to host the Macedonian delegation. The main criteria for selection were the decade-long membership of Slovenia in the EU Convention on Common Transit Procedures, the similarities between Slovenia

and Macedonia as countries (territory, population) and the relative proximity of Slovenia. The Project embarked on arranging the logistical details, as well as the work program.

The study visit took place on April 14 – 19, 2015 and included six transit coordinators (one national and five regional) from the Macedonian Customs Administration and one Project representative. The program included a two-day visit to the Central Transit Office and the Transit Help Desk in Nova Gorica (town on the Italian border), a one-day visit to the Customs Administration Headquarters in Ljubljana which included a meeting with the Slovenian transit coordinators, and a one-day visit to the port of Koper.

This activity enabled the participants to expand their knowledge of the practical aspects of implementation of common transit procedure in Slovenia, the roles and responsibilities of Slovenian transit coordinators, the main challenges in the functioning of transit procedures, and the modes of coordination with other customs administrations.

SP-Y5-Trade-#4- Implementation of internationally recognized methodology for measuring the time for release of goods

Regular and efficient measuring of the time for release of goods in import and export procedures is an important benchmarking tool. It enables monitoring the impact and effects of trade facilitation measures implemented by the Customs Administration and other border agencies and helps identify bottlenecks that require future attention.

The Project initiated consultations with the Customs Administration related to implementation of this activity. It was generally agreed that the specific methodology that should be implemented in Macedonia is the World Customs Organization (WCO) Time Release Study (TRS).

IDEAS completed the drafting of the guidelines for implementation of TRS in Macedonia. The document is based on the detailed WCO TRS Guidebook and it elaborates the methodology that MCA and other border agencies will have to follow in order to properly carry out the measuring exercise. The methodology provides guidance on the procedural, as well as substantive aspects of the TRS, such as the creation of a TRS Working Group, its mandate and membership, planning of the measuring (scope, duration, geographic determinants, types of consignments and procedures, selection of border posts), drafting of the data form, collection of data, their processing and analysis, drawing of conclusions, preparation of the final report and communication of the results to the public.

The guidelines will be used as a source of information on the TRS methodology for all representatives of MCA, other border agencies and the private sector that will participate in the collection of data and the overall measuring process. In addition, it will be used to guide and support the TRS Working Group in the process of designing the steps and activities of the measuring exercise and identifying the relevant data.

IDEAS proceeded with the design and drafting of other support documents necessary to prepare and carry out the measuring exercise. Along these lines, it completed the Implementation Schedule determining the general steps of the process and the pace of their implementation, and drafted the detailed Implementation Plan that should identify and determine the details and capture all decisions taken by MCA and other participating institutions relating to procedural and substantive aspects of measuring. These include, but are not limited to, duration, exact dates, participating institutions, respective responsible persons, establishment and composition of the TRS task force and working group and their respective mandates, selection of customs offices where data will be collected, determination of the scope of the data selection process based on the types of goods, packaging, customs procedures, means of transportation, etc.

Concurrently, IDEAS and MCA started with the preparations for a TRS Workshop as a key activity for strengthening the capacity of all persons involved in the TRS process. IDEAS contacted the World Customs Organization with a proposal to participate in the workshop by providing the experts who will elaborate the TRS methodology and present the WCO experience with TRS implementation in other countries. The initiative was received positively and IDEAS and WCO agreed on the details of the cooperation. As a main beneficiary of this activity, MCA was actively engaged in the workshop preparations by delivering the requirements necessary for WCO's involvement in the process.

In July, after intensive communication and correspondence, IDEAS and MCA agreed upon all the details of the WCO mission to Macedonia. The mission was carried out by two experts – Oluimo da Silva, Technical Attache at the WCO Compliance and Facilitation Directorate and Shujie Zhang, Deputy Director of the Department for Training and International Cooperation at the WCO Regional Training Center in Shanghai. They explained the TRS methodology and presented the WCO experience with

TRS implementation in other countries. Their visit took place in September, during which they met with relevant stakeholders, visited one border crossing in order to observe the business processes that are taking place during cross-border transactions, held a short training on the TRS software and delivered a three-day TRS workshop for the members of the TRS Working Group and other stakeholders that are engaged in the exercise.

In July, MCA submitted a proposal to the Government of Macedonia to endorse the establishment of the TRS Working Group that would include representatives of government and private sector stakeholders. In August, upon completion of the discussions on the WCO mission, MCA with the assistance of IDEAS finalized the detailed Implementation Plan.

According to the plan, the TRS exercise would be carried out at one in-land and two border customs offices: Bogorodica on the border with Greece and Tabanovce on the border with Serbia and in-land customs office Skopje 3. The collection of data would be seven days at the border crossings and five days at the in-land terminal. MCA drafted three different forms for collection of data for the three customs offices. IDEAS printed 500 copies of the forms to be used for the test collection of data which occurred in October. The main purpose of this exercise was to test the quality of the forms, the efficiency of the procedure for data collection, and the capacity of the involved institutions to carry out the process in an organized and effective manner.

The Time Release Study exercise took place in the period November 9 – 15, 2015. The 10,000 forms for collection of data were printed by IDEAS and distributed to the three customs offices in which the study was implemented. Upon completion of the data collection, in the second half of November, MCA and IDEAS worked on entering the data into the WCO TRS software.



The working atmosphere at the TRS workshop

Final results on the time needed to complete border formalities in each of the three customs offices and in different clearance procedures were captured in the report prepared by MCA in December. The report findings were shared with the business community and the general public, and submitted to the Government of Macedonia for review and decision on future actions for overcoming identified barriers and delays.

COMPONENT II: STREAMLINED BUSINESS ENABLING ENVIRONMENT FOR INSPECTIONS

Year 5

SP-Y5-IC-#1 - Development of methodologies and techniques for conducting uniformed inspection supervision

Based on the list of activities defined in cooperation with the Inspection Council (IC), consistent with the approved IDEAS Work Plan, it was agreed that the first activity to be undertaken would be the engagement of an expert for the development of methodologies and techniques for conducting inspection supervision of the Market and in the Labor Market areas. These methodologies were planned to be introduced by the Inspections Council (IC) in order to harmonize the practice of inspection supervision, as well as to acquire uniform and relevant data from the inspection authorities on their performance and conduct when carrying out inspection supervision.

The methodologies focused on: (1) Inspection Supervision in the Labor Market area: (1.1) Control of legal entities that perform unregistered activities; (1.2) Control of unregistered employment; and (2) Inspection Supervision of the Market: (2.1) Control of Intellectual Property Rights (IPR); (2.2) Control of irregularities in electronic trade.

This activity included field work and office work, defining necessary technical instruments and sources of information and institutional linkage of relevant inspection authorities. The international consultant (Chris Thompson) was identified; his paperwork was submitted to USAID and his travel was approved.

During this

reporting period, the expert traveled to Macedonia twice. The first time, he conducted meetings with relevant institutions (Inspections Council, State Market Inspectorate, State Labor Inspectorate, etc.) and conducted interviews with relevant officials. Mr. Thompson received input from both the public and private sector and will attempt to accommodate the needs of both sides within the procedures, with an objective to make uniform the inspection supervision process and ease the inspectors' work, as well as to decrease the burden on the business community that may be imposed with frequent or poorly planned inspections, due to lack of



Manual's cover page

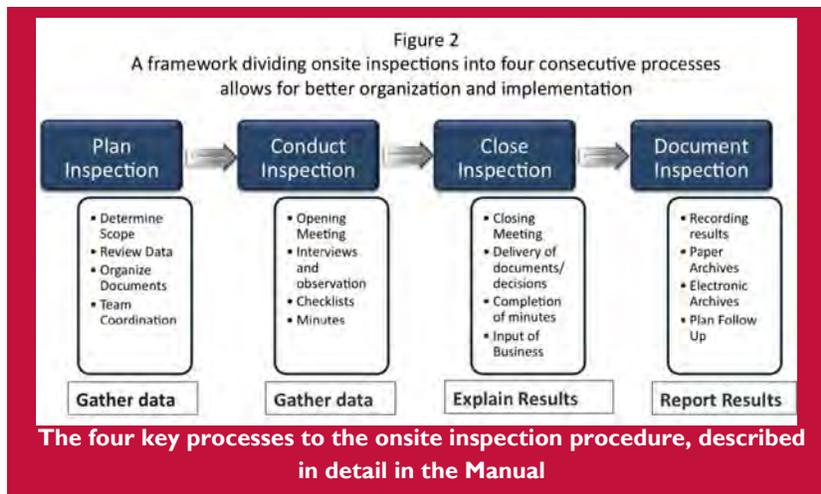
First inside page



Kiril Minoski, Director of the State Market Inspectorate (left), explaining the processes for conducting inspections to Chris Thompson (right), the consultant

information and data. Additionally, he had in-depth meetings with inspectors from the respective inspectorates, which gave him a detailed description of the current process of inspection planning, as well as the onsite inspection that is currently being performed. After the final meeting with the IC, prior to his departure, the Council agreed to refine the scope of engagement for development of general procedures for inspections, to be supplemented with assistance with detailed checklists on the IPR infringement procedures (for SMI) and procedures for unregistered workers (for SLI). All agree that inspection methodologies, when finalized, should be made mandatory for inspections via an appropriate secondary legislation.

The Manual was submitted to the Inspections Council and the State Market and State Labor



Inspectorates (SMI and SLI) for review, comments and input in order to incorporate specifics of each inspection area into the Manual and prepare a more detailed Manual of Inspection Supervision. In addition to this, Mr. Thompson had separate meetings with key individuals in the SMI and SLI in order to obtain exhaustive information on the overall processes and procedures for conducting inspections, and he integrated the facts into the Manual. Additionally, he also had a

meeting with representatives from the Ministry of Labor and Social Policy who provided valuable input and information that helped finalize the draft Manual. A workshop with all relevant counterparts was organized. The objective of this workshop was to present the Manual to the leading officials of the abovementioned institutions and train them for further transfer of the Inspection Methodologies into their institutions.

The final Manual provides a framework for organizing and conducting onsite inspections of businesses. It describes the activities and processes for the onsite inspection procedure in sufficient detail to apply to all inspections covered by the Law on Inspection Supervision and related legislation on inspections. This Methodologies Manual describes in a fair amount of detail the processes and tools for carrying out inspections at a general level, whereas specific details at the subject matter level will be addressed by checklists that are to be prepared and used by various inspectorates.

The Manual was then distributed to the stakeholders – Inspections Council, State Market Inspectorate and State Labor Inspectorate. After the Macedonian version of the Manual was finalized, and IC's comments appropriately incorporated, the Inspections Council officially adopted the Inspections Methodology Manual at the session held on November 20, 2015. After the adoption of the Manual by the Council, it was to be distributed to all inspectorates and inspection authorities.

SP-Y5-IC-#2- Develop a new e-Gov solution for the Inspections Council

The scope of work was approved by USAID on February 20, 2015. The purpose of this activity was development of a comprehensive e-Gov solution (with an intranet option) for the Inspections Council (IC). This includes a platform for linking the IC with relevant inspection authorities in order to improve

communication and data exchange in addition to enhancing transparency of institutions. This activity contributes to increasing the operational efficiency, as well as the overall human and institutional development process, of the Inspections Council.

The Project identified a local expert to develop a comprehensive report on the technical specifications and requirements for the e-Gov solution. The Project and this expert met with the President of the Inspection Council where details of the engagement and report were discussed. The draft-technical specification for the e-Gov solution was prepared by the expert and shared with the IDEAS Project in April. In May, a joint meeting between the Project, IDEAS DePo, the IC and the expert was held in order to incorporate potential comments and requests by the IC and finalize the technical specification. After this, IDEAS DePo initiated a tendering process to select an IT company that would build the specified solution. Three offers were received and evaluated by the Project. “Nextsense” was selected because of its enormous experience in web site building, but more importantly, because of its experience in working with/for the Government and governmental institutions. Their reference list includes some of the most groundbreaking solutions implemented in institutions in the Republic of Macedonia related to e-governance. The company also has an own web builder, developed and constantly upgraded for over 15 years.

“Nextsense” delivered all static content for the portal. This was done based on previously conducted analyses and information gathered for development of the modules and functionalities requested with the technical specification. Previously, they conducted initial analyses and gathered information to start developing the modules and functionalities requested with the technical specification. A linkage with the Official Gazette of the Republic of Macedonia was discussed, as well as some other linkages and development of relevant databases, which would enable better transparency and availability of information on the website. The website was operational by mid-November.

For both of these activities the IDEAS Project, in conjunction with the Inspection Council, SMI, SLI and other relevant inspectorates and inspection authorities, organized a promotional event in order to present these innovations both to the professionals working within the inspection system, as well as broader public, especially the private sector.

SP-Y5-IC-#3 – “Exchange of Experience in Inspections Area” - Study Tour



Chris Thompson Providing Plan Inspection Session, held on June 3rd, 2015

Manual of Inspection Methodology Workshop

The purpose of this activity was to provide practical knowledge in the area of inspection supervision reform for representatives from the Council of Inspection Authorities (the Council), the State Market

Inspectorate (SMI) and the State Labor Inspectorate (SLI) through a study tour to the Netherlands' Inspection Council and the relevant counterparts. This activity contributes to increasing the operational efficiency and the human and institutional development of the respective institutions and to providing valuable information and practical experience for setting up an effective and productive inspection supervision system in Macedonia.

Since the Inspections Council is a relatively new body (established in 2014), with a wide range of authorizations and a mandate to oversee different inspection authorities' performance, it is essential to rapidly build IC's capacity and knowledge in order to ensure efficiency and productivity of both the council members and the institution itself.

One of the methods to do this is through exchanging experience with similar inspection supervision bodies and gaining relevant guidelines and recommendations regarding setting up a strong organization and a functioning system. After careful research, together with the Inspection Council, the State Market, and the State Labor Inspectorates, it was decided that the most appropriate study visit destination for exchange of experience in the inspections area was Austria.

The Austrian inspection system is one of the most efficient systems in Europe and this study visit provided a great experience for the participants. After Austria was selected as the visit destination, the IDEAS Project contacted the Austrian Embassy to inform them and organized a meeting with the Embassy and USAID. After the meeting, representatives from the counterpart institutions in Austria were contacted (contacts provided by the Austrian Embassy representative) and very quickly we received a positive response for the study visit. It was mutually agreed that the study visit would be held in September.

The Project obtained an international travel approval from USAID and made all necessary preparations for travel to Vienna, Austria (airplane tickets and accommodation). A group of 9 people traveled to Austria: one IC rep.; two SMI reps.; two SLI reps; one USAID Macedonia rep.; one IDEAS Project rep.; and one IDEAS DePo representative. Prior to the travel dates, the Project received the presentations from the Austrian counterparts in German and translated them in order to distribute them to the travelling group prior to departure to Austria.



The IDEAS Project, through its legacy organization IDEAS for Development Policies (DePo), organized the three-day study visit to Austria for the Inspection Council, the Ministry of Labor and Social Policy, the State Market, and the State Labor Inspectorates of the Republic of Macedonia. The trip included meetings with Austrian Supervision and Regulatory Authorities and organizations in the area of labor market, product safety and consumer protection, in the period September 7 - 9, 2015. The study visit had an intensive schedule, with more than 25 presentations of relevant Austrian institutions and

organizations. The main objective of the visit was to provide helpful information and exchange practical experience that can be used for setting up an effective and productive inspection supervision system in Macedonia and increase the operational efficiency as well as human and institutional development process of the relevant institutions. The study tour was planned and realized with great support of the Austrian's Federal Ministry of Labour, Social Affairs and Consumers Protection.

SP-Y5-IC-#4- Implementation of Quality Management Standards in the Inspection Authorities and Promotion and raising awareness of the Inspections Council's new tools and methodologies

The scope of work for this activity was approved by USAID on November 12, 2015. The purpose of this activity was to promote the Inspections Council's newly developed tools and methodologies directly aimed at improvement of the inspection system in Macedonia. The main goal was to provide a comprehensive outreach primarily to the professionals that are part of the inspection supervision structure, as well as to inform the broader public, especially the private sector, about the novelties and the benefits of these methodologies. In addition, the Project contributed to the implementation of quality management standards in inspection authorities. This effort will impact the process of human and institutional development of inspectorates through increasing their efficiencies and the quality of their services.

On November 16, 2015 the final certification process of the State Market Inspectorate (SMI) commenced. Based on the request for support of this process received by the SMI, the Project supported the initial certification process and obtaining of the ISO mark, while the inspectorate would be responsible for maintaining the standard and cover the costs for control audits. The certification process was finished in the beginning of December.

Additionally, the project agreed to the transfer of knowledge and experience for the overall certification process from the State Market to the State Labor Inspectorate. To this end, a manual for implementation of the ISO standard was developed. This manual can be used by the SLI for their certification process.



Promoting the new tools and methodologies in inspections

On December 4, 2015, the Project organized a promotional event that presented the new tools and methodologies in inspections, including: Manual on Inspections and web-site (e-solution) for the IC. The Manual describes the inspection supervision process, through four main stages: planning, conducting, closing and documenting the inspection. These processes are developed using best practices in the area of inspections and strive towards reaching voluntary compliance of businesses by making the regulatory requirements more clear and transparent for businesses and by standardizing main procedures in inspections. The Manual accents the principles of fairness, responsiveness, risk focus and proportionality, coordination and consolidation, information integration, professionalism and transparent governance.

The website offers an overview of the Inspections Council (IC) work, encompassing all its legally mandated responsibilities and providing news and updates for every IC activity. Specifically, it includes a

list of all inspections authorities and dedicated space for each of them (a mini-portal) that provides information on the number and the names of the licensed inspectors in the respective authority, the laws and regulations that the authority supervises, and the compliance requirements. This comprises the overall legal database on inspections, uploading of reports for the Inspections Council, etc. which the inspection authorities can administer by themselves; self-evaluation check lists that businesses can use to assess their compliance level; professional publications; news and events; etc.

Over a hundred (100) representatives of all IC members and operational staff as well as top management from each of the inspection authorities participated at the event. The USAID Mission Director also attended the event and addressed the audience.

COMPONENT III: STRENGTHENED INSTITUTIONALIZED PUBLIC – PRIVATE DIALOGUE

Year 5

ACTIVITY I – Supporting the NECC

SP-Y5-PPD-#1- Establishing of the NECC executive office towards sustainability

The PPD Component lead Goran Lazarevski was leading the efforts to negotiate future financial assistance with the team of experts assigned by the EU to design the IPA program, resulting in a confirmed recommendation to the EU to commit 2.5 million Euros for the period 2017-2020 to the NECC as the Institution in charge to strengthen the national PPD. This recommendation comes as a strong recognition of the Project's efforts in the past years and a confirmation that the IDEAS approach was the most adequate and sustainable one.



NECC's Annual Assembly, February 26

- The harmonization of the Partnership agreement with the GoM continued and meetings with different agencies and institutions continued with direct participation of the PPD Component Leader. The Supervisory Board was established on September 2 and the process of obtaining the status of an organization of special public interest was initiated;
- Preparatory assistance was provided to the NECC staff in the preparation of their Annual Assembly and quarterly Assembly, at which significant decisions are to be made and implemented, expected to influence NECC's sustainability over a longer period of time;
- We continued to assist the process of collection of membership fees which resulted in the successful collection of 70% of membership fees from the NECC membership, strengthening their commitment and the financial stability of the executive office;
- On October 28, Goran Lazarevski, in a joint effort with the NECC executive office staff, presented the NECC to the foreign chambers and economic officers from different countries to strengthen membership and expertise availability;
- During 2015, IDEAS's Goran Lazarevski attended and assisted over 40 meetings and sessions with the NECC executive office staff as well as sessions with the committees and working groups on different priority issues;
- The sustainability efforts of the PPD team continued with stakeholders, and other ongoing assistance on meetings, coordination and administration for NECC needs.

After the successful completion of the process of hiring professional staff and selecting adequate facilities for the NECC, the legal procedure for the lease of office facilities was completed and the contract was signed by the NECC. With IDEAS' PPD team assistance, a financial accountant and permanent advising company were identified and procedures regarding taxes, salaries and other legal duties were completed. Furniture and equipment were provided for the office as well as the initial expenditure on materials needed for daily performance, enabling the NECC staff to fulfill their regular duties towards the membership and GoM partners on ongoing activities. The transfer of the first financial tranche as

planned in the SoW was realized, providing NECC with the funding needed for the functioning in the following 4-5 months.

The IDEAS Project actively engaged in assisting the NECC staff and the DPMEA cabinet in the organization of the regular session of NECC and Annual Assembly. The joint session of the Management board and the Assembly was successfully held on February 26, and the executive office was given a mandate to continue working on the Activities plan for 2015. At this session, the executive office of NECC was handed over from the IDEAS Project to the members successfully completing four years of Project efforts to establish, position and promote this new national PPD platform as the leading PPD instrument of the business community. At the session, special gratitude was expressed to USAID and the IDEAS Project for their continuous assistance which enabled NECC to reach this level of establishment.

SP-Y5-PPD-#4- Training and mentoring assistance for the staff and business members of the National Entrepreneurship and Competitiveness Council



Training on use of ENER system

During the reporting period, the support provided by IDEAS DePo continued as planned:

- Selection of a local expert was completed and the administrative activities were finalized;
- Schedule of activities for this assistance were determined, reviewed, and discussed with the stakeholder community;
- Creation of the working agenda and the training program were completed and initial meetings were held with the Executive office:
 - the operational challenges and the existent acts and documents were scanned, identified and the expert worked on defining recommendations for improvements;
 - a session with the NECC staff members on operational efficiency and advocacy was held as an in-house training session. The second session was held in October;
 - the first session of the training workshop mentoring was held on September 15, with 18 representatives from the private, public and civil sector, on Policy creation, research and analysis and the mentoring process of creating policy proposals for the textile industry was started, and continued on September 29;

- the second training workshop was held on September 29, with nine business representatives, on Policy creation, research and analysis and the mentoring process of creating policy proposals for the textile industry was started.
- On September 30, a Competitiveness conference was hosted by NECC in Skopje, with assistance of the IDEAS Project realized by IDEAS DePo, with over 160 representatives from the business, public and civil sector as well as the donor community in Macedonia. At this event, the role of the business community in articulating the voice of the businesses through NECC was emphasized while over 90 businesses, part of the NECC founding members, had an opportunity to learn about the manners and instruments of influencing public policies to create a more favorable business environment.
- The IDEAS's PPD component lead, Goran Lazarevski hosted a coordination session with the EU-team engaged to define the IPA-2 criteria, identifying steps on how to assist the NECC after the Project funding is finalized. Providing support to the competitiveness activity was agreed to become their recommendation.



Additional activities were held in November resulting in a stronger position and capacities of the NECC as a relevant counterpart of the public sector.

ACTIVITY 2 – Support to the implementation of the Regulatory Impact Assessment (RIA) and ENER as a PPD instrument

SP-Y5-PPD-#2-Training for Heads of departments and sectors in the public administration on Regulatory Impact Assessment and use of the Unique National Electronic Regulation System

The first section of the activity was realized on December 18, 19 and 22, completing the trainings for a portion of the public administration officers in Skopje. Representatives from 17 Ministries and public institutions (91 in total) participated in the sessions. The second series of sessions was realized successfully in continuous consultations with the stakeholders in Strumica, June 8-10 with 24 attendants from 16 different Ministries. All attendants took an active role in the discussions with regard to their role in the public consultation mechanism and the personal responsibility towards society as well as the new regulations, making them directly involved in the legislative process instead of simply technically producing and reviewing the structure of regulations, without a clear focus on the contents. Each attendant was awarded a Certificate of Attendance through the respective Ministry, signed by the USAID IDEAS Project Director and the Minister of Information Society and Public Administration, which will become part of their personal data file at their employer, to be taken under consideration for his future career advancement.



Atmosphere From the Training on RIA and Use of ENER, held in Strumica between 8-10 of June, 2015

In July, the third series of sessions was realized successfully in continuous consultations with the stakeholders in Skopje, July 7-8 with 25 attendants from 15 different Ministries. The fourth series of sessions was realized successfully in continuous consultations with the stakeholders in Skopje, November 16-17 with 17 attendees from 14 different Ministries.

The fifth and final series of training workshops was realized successfully in continuous consultations with the stakeholders in Skopje, November 24-25, with 21 attendees from 16 different Ministries.

The realization of this SoW over the period of one year included 178 public servants in this field.

The upgraded ENER portal was officially presented to the public by Minister Ivanovski, with a special tribute to USAID IDEAS' assistance in the successful realization of this effort.



Working atmosphere from the training sessions organized in July

The ENER success story as a public consultation mechanism was also the subject of discussion during the visits to Belgrade, Serbia and Tirana, Albania by the PPD Component Lead as part of the efforts to establish regional initiatives in the field of PPD.

SP-Y5-PPD-#3-Participation at the annual PPD WB Workshop

This assignment was developed in accordance with the Y5 Work Plan to promote ENER and successfully implemented RIA procedures, increase the knowledge of the MISA team on PPD mechanisms, and build capacities of relevant GoM PPD officers. In addition, IDEAS was invited by the

World Bank to present IDEAS' achievements with ENER and RIA as a model for other countries. This presentation enabled GoM PPD officers to learn and share experiences at the most relevant PPD forum in the world, held on March 10-13, in Copenhagen, Denmark, organized by the World Bank.

This event also served as a platform for IDEAS' legacy organization IDEAS DePo, to promote its services and expertise during 14 separate meetings with countries from our region and wider, in order to explore and develop opportunities to establish its presence on new markets with products such as RIA, ENER, Regulatory reform, E-Gov solutions and PPD mechanisms like the National Entrepreneurship and Competitiveness Council (NECC). In that sense, the IDEAS DePo initiative to have a regional World Bank PPD Forum for the wider Balkans organized in Macedonia, which was strongly supported by all delegations continues to be subject of discussion with more details expected soon.

ACTIVITY 3 – Support to the implementation of the Regulatory Impact Assessment (RIA) and ENER as a PPD instrument

SP-Y5-PPD-#3- Training and mentoring assistance for the staff and business members of the National Entrepreneurship and Competitiveness Council

The scope of work was approved by USAID on May 28, 2014. The objective of this activity was to further increase the quality and effectiveness of the Public Private Dialogue (PPD) process in Macedonia. IDEAS seeks to support policy paper professionals in the NECC and its business-members by providing a set of trainings and mentoring activities. This in-house continuous training activity builds on previous positive results achieved with trainings of Module I, II and III. Combined with the mentoring aspect and proposed task for the NECC staff and members to create three different position papers, this effort increases the capacity of the business community to write sound and solid policy papers, to serve as basis for discussion at the annual PPD forum, scheduled for the end of 2015.

Experts were selected and the curriculum was defined. In addition, the printing of an issue of the “Policy paper creation manual for the business community” was completed.

PUBLIC RELATIONS (PR) AND INFORMATION

YEAR I

The results achieved in Public Relations (PR) and Information for FYI I are described below.

- **Developed Comprehensive Project Communications Strategy**

The primary objective of the communication strategy was to increase public awareness of the USAID-funded IDEAS Project. This strategy includes the following sections: Background and Introduction; Project Objectives; Communication Strategy: Objectives and Purpose; Messages; Target Audiences; Communication Tools; Coordination with Home Office and USAID Mission; Components' Communication Requirements; and Planning Schedule for High-Visibility Event.

Sharing information about the goals, objectives, and scope of work of the IDEAS Project is critical to the project's success in its current and subsequent phases. The project strategy has been designed in such a manner that it cuts across the project's areas of work and partner organizations to provide a holistic view of all communications requirements dealing with such aspects as awareness, communication, capacity building, and promotion.

The Communication Strategy was an internal document whose purpose is to be used as a guideline and a roadmap for project staff when they are organizing public events and/or promoting project and release outreach products. While developing the Communication Strategy, component leaders and their support staff took an active role and contributed especially to identifying components' communication requirements, including Audience, Key Messages, Communication Tools and Responsible Person.

- **Identify project activities to which the project should give PR priorities**

In coordination with component leaders, the Project activity that needs to receive priority for PR activities was identified. To maintain proactive media relations, a few meetings were organized with the Executive Director and Editor in Chief of the business outlet "KAPITAL" for presenting the project and identifying opportunities for promoting the project's work activities. Considering that the media outlet expressed interest for the project's work, we took one step forward: we asked responsible officials from KAPITAL to provide us with a rough budget for preparing and publishing articles in the weekly edition of KAPITAL. The proposal that the magazine submitted to the Project is 4,940 Euro for publishing eight articles, two for each project component for one calendar year. These two-page articles would be in color in A4 format. The proposed cost, which includes a 35-percent discount, is only for our Project (regular price is 7,600 Euro). The offer includes journalist(s) level of effort (LOE) "pro bono" for preparing the articles.

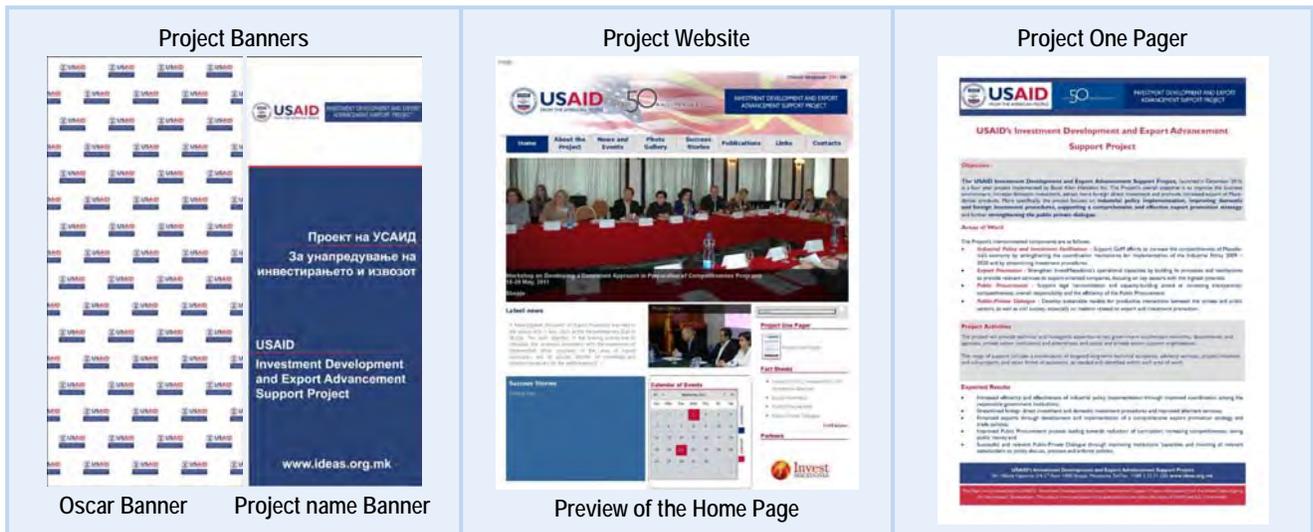
The proposed budget was the subject of negotiation between the project and magazine. Once agreed upon in the next FY, a scope of work and/or SP, was developed stating plans for cooperation and listing expected deliverables for promoting Components Results and Achievements.

- **Develop communication tools**

As part of the communication strategy implementation, four communications tools were completed: (1) two *project banners* were developed, the Development Outreach and Communications (DOC) approved the branding, and banners were printed; (2) the local vendor 4Virtus Company developed the *Project's website*; (3) the project's *Pager* (one-page document) was written; and (4) *component factsheets* were developed. The factsheets were printed and posted on our website, along with a handout to each

component leader for further dissemination. The printed communication tools are disseminated at the Project’s supported events and meetings. While developing all the above-mentioned tools, Project Branding and Marking Plans, which comply with USAID’s ADS Chapter 320 Branding and Marking, were implemented.

Project Banners. We developed two project banners and began displaying them at all relevant special events.



Project’s website (www.ideas.org.mk). We developed an appealing, relevant, dynamic, and informative website for our target audiences. We updated the website monthly and paid special attention to the quality of the visual content. All pages were updated in a consistent format, with a focus on concrete achievements and impacts. We tracked monthly hits to our website and specific pages (sections). This bilingual (i.e., English and Macedonian Languages) website has eight tabs: (1) Home Page; (2) About the Project; (3) News and Events; (4) Photo Galleries; (5) Success Stories; (6) Publications; (Links); and (8) Contacts.



Project’s One Pager. The One Pager includes basic information about the project’s objective, areas of work, project activities, expected results, and contact information. The Contracting Officer’s Technical

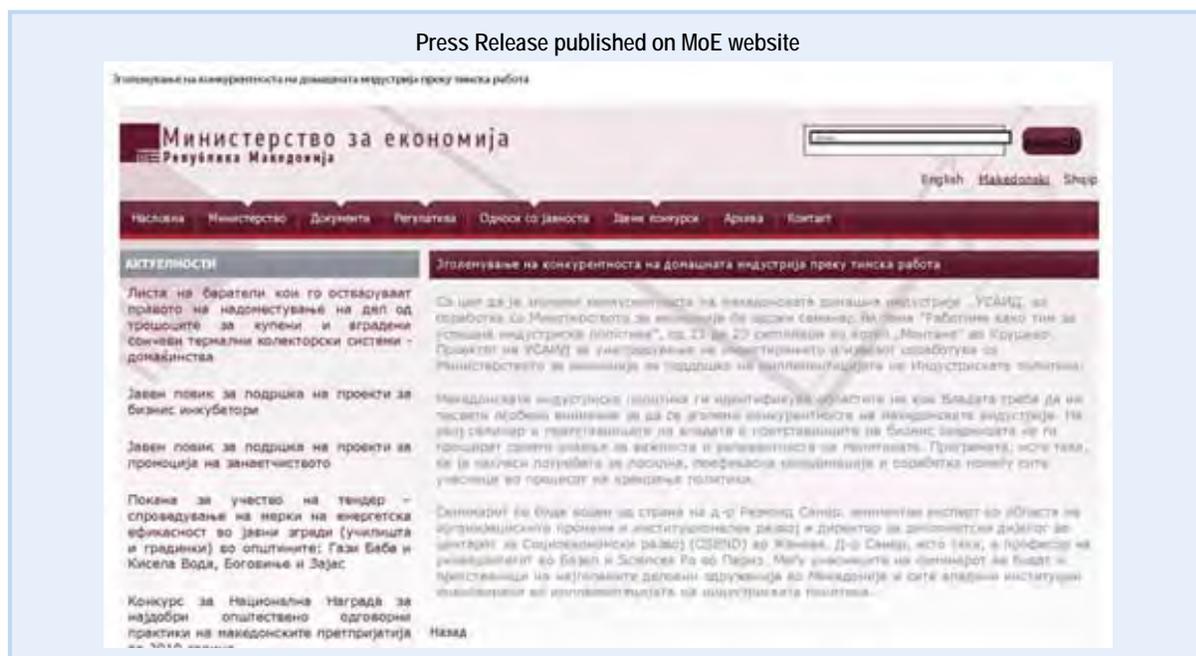
Representative (COTR) and DOC approved the Pager and translated it into Macedonian. For more details, see *Project One Pager* on the CD-ROM version of this report.

Conference and Training Calendar. We provided monthly input to the project’s activities for USAID’s Office of Economic Growth (EG) Event Calendar. Subsequently, all events stated in the Calendar are posted on the project’s website.

Component Factsheets. To introduce our audiences to project components and its objectives, we initiated and developed four factsheets. Every factsheet includes an overview of the component, planned activities, expected results, and communication key message, which will be disseminated to the public, along with contact information. The factsheets are presented in the text box below.

Press Release. We prepared a press release, “Increasing Domestic Industry’s Competitiveness through Team Work,” in cooperation with MoE, and cleared by USAID/DOC. It was released to the media. This press release was intended for the SP Number: SP-YI-IP1-#3, Event for IMEG, Industrial Policy and Competitiveness Department in the Ministry of Economy (MoE IPCD), and DPMEA Cabinet, to build team cohesion, increase awareness on the importance of industrial policy, and develop basic outreach skills. The press release was posted on USAID/Macedonia, on the project’s website, and on the MoE website.

Press Clippings



During FY11, we started to track news articles related to “investments”; “export promotion”; “public-private dialogue” to monitor all developments related to the Project’s area of work. Interns prepared this type of press clipping weekly and shared them among Project personnel. However, because the project-funded activities started becoming more visible to our counterparts (e.g., Invest Macedonia, MoE, CoC, etc.); then, a few news articles were published in relevant media [e.g., KAPITAL], in which the project was mentioned in a positive context), the press clipping was prepared and shared with COTR and DOC.

YEAR 2

During the second year of its operation, the IDEAS Project, under Public Relations (PR), completed two special projects for which the results achieved are described below:

SP-Y2-Media No. 1- Increase the awareness of Macedonian Media on the Importance of Public-Private Dialogue, Industrial Policy Implementation and Export Promotion

The objective of this activity was to increase the awareness of Macedonian media representatives – editors in chief and journalists on the Project activities, as well as to promote the project’s areas of work – public private dialogue, industrial policy implementation and export promotion among relevant current and future economic journalists and thus to the general public. The Project staff had a number of meetings with representatives from the School of Journalism and Public Relations, as a partner in this project, in order to properly plan the entire media event.

The “Importance of Macedonian Media in Increasing the Public Awareness for Industrial Policy, Export Promotion and Public-Private Dialogue” event was held in City Hall Center in Skopje. Twenty-three (23) journalists from various types of media outlets attended the meeting as did thirty (30) students from the School of Journalism and Public Relations, and representatives from partner institutions. Topics that were covered included: increasing the competitiveness of the industry through the implementation of industrial policy, challenges of the export promotion of Macedonia as well as public-private dialogue as the only way for sustainable economy. The meeting offered the journalists with the opportunity to closely familiarize themselves with these topics by applying the expertise of representatives of the Project and state institutions, thus ensuring efficient reporting on these economic topics in the future. The School of Journalism and Public Relations filmed and produced three multimedia products, one per component. The video material includes clips from the event, interviews from Component Leaders and representatives from partner institutions. Materials were posted on the Project’s website <http://ideas.org.mk/Pages/Gallery/#>.

SP-Y2-Media No. 2 – Promoting Project Activities in Economic Media Outlet “Kapital”

As planned in the Work Plan, with this SoW, the Project established formal cooperation with the economic media outlet “Kapital” in order to provide professional, relevant and up-to-date information to journalists, related to IP Implementation, Export Promotion and Public-Private Dialogue topics. During the year, eight out of nine planned interviews were prepared and published; including one public call related to the implementation of specific measures under the Program on Industrial Policy Implementation 2012 (SP-Y2-IPI-No.4). The last interview was published in February 2013 and promoted the www.konkurentnost.mk web portal.

Managed the High – Level Promotional web–portals event

On November 2, 2012, the Project launched three web portals that made information more accessible to the private sector: www.konkurentnost.mk, www.ener.gov.mk; and the export promotion e-portal under <http://investinmacedonia.com/>.

The purpose of this event was to publicly promote the new web portals and their functions to relevant institutions, companies, chambers of commerce and media in the country. Approximately 150 representatives of government institutions, ministries, the private sector, chambers of commerce, trade associations, members of the international donor community and media attended the event. The web portals were presented by representatives of the ministries and the Agency. The event gained vast

media coverage. Twelve (12) journalists representing national public and private media such (MTV–programs on Macedonian and Albanian languages; Kanal 5; SITEL; Kapital; Makedonsko radio; 24 Vesti; Mia; InSTORE magazine; TV ERA and KOHA) covered the event. In total 23 media articles were published in various media outlets. They were translated into English and compiled into a Press Clipping, which was submitted to the COR and DOC. In addition to this, the Press Clipping was posted on the Project website under Media Coverage <http://www.ideas.org.mk/Pages/IdeasInTheMedia/>.

Other Public Relation Activities

- **Identified, developed, and released Project success stories**

Four success stories were identified, prepared and released. In the process of development, the responsible partner institution was asked to provide input or review given information. After finalization of the success story, final versions were shared with Project counterparts and posted on Project's website.

1. Macedonia is a Success Story on Corporate Social Responsibility Policy Dialogue;
2. Increasing Exports through Learning;
3. Improving the Public-Private Dialogue with Internet Platform and
4. New Web Portal Links Macedonian Exporters with the Foreign Buyers.

Promotional web –portals event

- **Develop and Release Media Advisories and/or Press Releases**

Ten Media Advisories and/or Press Releases were prepared, obtained approval, translated on local languages and releases in media; and posted on Project website.

1. USAID Supports the Program for Industrial Policy Implementation, released on May 23,2012;
2. USAID Supports Sharing Export Promotion Best Practices, released on April 12,2012;
3. USAID is strengthening the Capacities of The Private Sector, released on April 26,2012
4. Provided support to InvestMacedonia to prepare and release the Press Release on Macedonian wine promotion in the US, released on May 29,2012;
5. Macedonian Automotive Supplier Companies on International South East Europe Automotive Suppliers Industry Trade Fair in Serbia, released on May 8,2012;
6. Macedonian Companies at the World's Leading Automotive Industry Trade Fair, released on September 7,2012;
7. New Opportunities for Macedonia's IT Companies, released on October 8,2012;
8. Media Advisory on the three IT solutions launching event, releases on October 30,2012 and
9. Software Solutions Makes Information More Accessible for the Private Sector, released on November 2, 2012.

- **Track Published Articles in Media and Develop Quarterly Press Clippings for the DOC Office**

After releasing media advisories and/or press releases, the Project interns or the Communication Manager tracked published articles in the media, and subsequently developed press clippings, and translated them into English. The press clippings were shared with the COR and with the Development Outreach and Communications (DOC) personnel. Press clippings were also posted on the project website under "IDEAS in the Media." As a result of these releases, vast media coverage was gained in national (public and private media) and over 100 positive articles were published.

- **Managed Interviews for IDEAS Project Director and Component Leaders with Relevant Media**

The Project Director was interviewed for “Koha”, a local daily print newspaper in the Albanian language. The one page article included information about the future plans and potential legacies, as well as a summary of results achieved and unfinished reforms in key areas.

- **Established cooperation with “InSTORE/Macedonia”, specialized trade magazine for consumer goods**

InStore was the first regional (former Yugoslavia) monthly trade magazine for consumer goods. It covered the whole industry from organized and traditional commerce, through manufacturers, distributors and logistics to other related activities. The magazine was distributed free of charge by mail to over 40,000 independent dealers, retailers, wholesalers, manufacturers, specialty shops, as well as ministries, agencies and academic institutions in Serbia, Slovenia, Croatia, Bosnia Montenegro, Kosovo and Macedonia. In September, a meeting was organized with “InSTORE” magazine, regarding identifying opportunities for cooperation.

The content of the Magazine included 50% articles prepared by neighboring countries and the rest were Macedonia-related articles. This form of the content provided valuable opportunity for the project to raise its awareness in the region, promote its funded activities, and at the same time share and gain export market information. In Macedonia, “InStore” magazine was distributed to over 4,000 subscribers, from which 95% are companies, and the rest are Chamber of Commerce, banks, and academia. In order to publicize the recently developed export promotion portal under the InvestMacedonia web page, the Project developed market information and published in the Magazine.

- **Develop IDEAS Conference and Training Calendar**

The Communications Manager in cooperation with component leads developed an IDEAS Conference and Training Calendar and submitted it to EG office on a monthly base. Subsequently, all events shown on the calendar were translated into Macedonian and posted on the IDEAS Project website.

- **Information Sharing with Similar Regional Projects**

To expand regional recognition of the IDEAS Project and to broaden the audience, the Communications Manager started to share success stories and other communication articles produced in FY12 with the Regional Competitiveness Initiative (RCI).

YEAR 3

In Year 3, the IDEAS Project completed the following three special projects:

SP-Y3-Media # 1- Developing and disseminating brochure for promotion of ENER web portal

In 2013, the Project, in cooperation with the Ministry of Information Society and Administration (MISA), developed a promotional brochure for the ENER portal. “Koma” printing company produced the brochure, in both Macedonian and Albanian. Subsequently, distribution was organized according to the Work Plan, with 1,500 copies distributed in the weekly magazine Kapital. The magazine is distributed to 1,000 subscribers as well as to another 500 companies around the country.

In order to further promote the portal, the Project organized a presentation on the national TV station Alfa as a communication-related activity. Goran Lazarevski, Public Private Dialog Component Lead, appeared on TV Alfa’s morning program to discuss his experiences at the international Regulatory Impact Assessment seminar held in Rome. The brochure developed by the Project to promote the

ENER portal was also presented. The Communication Manager provided input for the USAID/Macedonia Facebook and Project's website, posted on the: <http://www.ideas.org.mk/Video/10/ENER-presentation-on-Alfa-TV-May-23-2013>

SP-Y3-Media # 2- Communication & Presentation Skills and Public Speaking Training

In July 2013, the Project initiated, planned and successfully organized a “Communication and Presentations Skills and Public Speaking Training” for representatives from the Project and the following stakeholders: the Ministry of Economy; National Entrepreneurship and Competitiveness Council; Agency for Foreign Investments and Export Promotion (InvestMacedonia), and the Agency for Entrepreneurship Promotion. Based on the skills gap assessment of the Project's counterparts, lack of effective communication skills has been identified as one of the important areas to be improved in order to increase the efficiency of the various government and donor-funded initiatives.

The Project wrote to its stakeholders, informing them about the training, and asking responsible officials to delegate representatives from their organizations to participate in the two-day training. The participants included: six participants from InvestMacedonia; two from the Ministry of Economy and the Agency for Entrepreneurship Promotion; and three representatives from the NECC and its members: the Organization of Employers, Macedonian Chamber of Commerce and MASIT. The Project engaged a qualified local consultant, CDS (Center for Business Cooperation), which delivered two training sessions, one for participants delegated by Project stakeholders, and another for Project and USAID/Mission staff members. In total, 29 participants attended the sessions. At the end of the training, the trainees were awarded with a certificate in recognition of their attendance and successful completion of the *Communication and Presentations Skills and Public Speaking Training*. Feedback from the trainees was exceptionally positive.

SP-Y2-Media No. 2 – Promoting Project Activities in Economic Media Outlet “Kapital”

The Project organized an interview with the Minister of Economy, Valjon Saraqini and Gordana Toseva, IDEAS Industrial Policy and Investment Promotion Senior Advisor for Kapital. The interview was published February 22, 2013. This was the last interview as planned in the Special Project (SP-Y2-Media No. 2) and its purpose was to promote the web portal <http://konkurentnost.mk/>, developed with support of the Project. The portal became publicly available on January 15, 2013. In addition, the Project developed a promotional brochure with basic information on KonkurentnostMK. The article was shared with COR and DOC, and posted on Project's website and USAID's FB page. <http://www.facebook.com/#!/USAIDMacedonia?fref=ts>.

Identify, develop and disseminate specific and targeted market information in InStore Macedonia

During Year Three, the Project, in cooperation with InStore Macedonia, identified, developed and published three Project-related articles, providing the targeted audience with relevant and up-to-date information related to Project-funded activities. There was no cost for these articles. During the reporting period, the Communication Manager met with InStore's Editor-in-Chief on several occasions and identified three Project-related themes worth promoting in the magazine, as described below:

- Experts view: Macedonian companies exhibiting in trade fairs (featured Kiril Minoski, Senior Advisor); published in March, 2013,
- Article about the konkurentnostMK web portal, which was promoted in a bi-monthly edition (July-August) of the magazine (featured Gordana Toseva, Senior Advisor), and

- Article on NECC's benefits to the Macedonian private sector; published in September issue of the Magazine (featured Goran Lazarevski, Senior Advisor).

The online editions of the Magazine can be explored through this link: <http://www.instore.mk/magazines/all/2013>. In addition, the articles were shared through the USAID/Mission's Facebook page <https://www.facebook.com/#!/USAIDMacedonia> and the IDEAS website: <http://www.ideas.org.mk/>

Contribution to USAID FB Page and IDEAS web site

In 2013, the Project submitted input (text and visuals) for USAID's Facebook page related to three activities completed in July, August and September 2013:

- Communication and Presentations Skills and Public Speaking Training
- Support to enhance the competitiveness of Macedonian companies
- Sustainable economy through dialogue

The information was published at the links below:

<https://www.facebook.com/#!/USAIDMacedonia>

<http://www.ideas.org.mk/News/132/Support-to-enhance-the-competitiveness-of-Macedonian-companies>

<http://www.ideas.org.mk/News/130/Communication-and-Presentations-Skills-and-Public-Speaking-Training>

Information Sharing with Similar Regional Projects

To expand the regional recognition of the IDEAS Project and to broaden its audience, the Communications Manager shared Project success stories with the Regional Competitiveness Initiative (RCI). In the August 2013 edition of RCI's Newsletter, two IDEAS-related articles were published. The first one is a success story on the InvestMacedonia's web portal (developed with Project support). The second article is related to the regional agriculture/agribusiness forum and B2B event organized in coordination with USAID's AgBiz Program.

Develop and Release Project Success Stories

During the reported period, three success stories were identified, prepared and released. All of them were developed in conjunction with Project partners; and were shared with USAID/COR; Regional Competitiveness Initiative (RCI) Project and DOC, and posted on the website.

- Macedonian Regulatory Impact Assessment Model, an Example to Follow
- Improving the Public-Private Dialogue with Internet Platform
- New Web Portal Links Macedonian Exporters with the Foreign Buyers.

Develop, Release and Track Media Advisories and/or Press Releases

During Year 3, the Project prepared and released six Media Advisories/Press Releases and gained vast media coverage in national (public and private media), with 56 positive articles published, and five TV appearances. Press clippings were posted on the project website under "IDEAS in the Media." <http://www.ideas.org.mk/Pages/IdeasInTheMedia/>

Professional Development

In June 2013, the USAID IDEAS Project organized a capacity-building/professional training for the Project's counterparts. One of the goals of USAID is to develop local professional capacity and empower local experts/professionals to provide quality technical assistance beyond the life of the projects and the Mission itself. These efforts represent a permanent legacy for the beneficiaries. For

institutions the legacy includes strengthening their internal systems and procedures, and establishing firm foundations that enable effective and efficient performance. For individuals, they are able to expand their skills and knowledge and improve the scope and quality of their performance and work. Based on the skills gap assessment of the counterparts of the project, lack of project management skills was identified as a critical area to be improved in order to increase the efficiency of government and donor-funded initiatives.

Therefore, the Project chose the Project Management Professional (PMP) credential from the Project Management Institute (PMI). The PMI global standards provide guidelines, rules and characteristics for project, program and portfolio management. These standards are widely accepted and, when consistently applied, help individuals and/or organizations achieve professional excellence. The Project engaged a consultant, a certified PMI/PMP trainer who delivered the trainings for participants delegated by Project stakeholders. The trainer also issued certificates of attendance.

A total of two groups, comprised of 15 persons each, attended the 36-hour training, which was divided among five consecutive working days. After the training, the recipients of the training are eligible to apply to take the PMP exam.

YEAR 4

During Year 4 of its operation, the IDEAS Project completed two special projects: Business, Diplomacy Etiquette and Protocol Training (SP-Y4-Media-#1) and Follow up Workshop on The Role of the Business Community in Inclusion of People with Disabilities (SP-Y4-Media/PPD-#2). While developing the Work Plan for Y4, IDEAS planned to undertake three more communication-related activities as follows: publish an interview on LoP accomplishments with the IDEAS CoP in the economic media outlet “Kapital”, organize an off-the record event for journalists and counterparts, as well as organize project close-out ceremony. Because of the new developments announced by USAID for a possible extension of the project, these activities were postponed until 2015.

SP-Y4-Media#1 - Business, Diplomacy Etiquette & Protocol Training

The general objective of this activity was to train representatives of government institutions, chambers of commerce and the Project staff in comprehensive professional skills in business, diplomatic etiquette and protocol. The topics of the training were: Personal Diplomacy, Principals and Procedures of the Protocol, Events Management Entertaining, Communication Excellence, Modern Communication & Diplomatic Skills, Visiting Protocol, Ceremonial & Diplomacy, and Cross-Cultural Communication Skills. All nineteen (19) representatives of the Project’s partner institutions, whose profession requires communicating and socializing in diplomacy and the global marketplace, attended the training: Ministry of Economy, Ministry of Information Society and Administration, Agency for Foreign Investments and Export Promotion (InvestMacedonia), Agency for Entrepreneurship Promotion, Technological Investment Development Zones (TIDZ) Directorate and representatives of the chambers of commerce as members of the National Entrepreneurship and Competitiveness Council (NECC).

Provide PR and communications support to MASIT regarding the B2B event (branding, visibility, press releases, pre-event activities)

In October, the ICT Chamber of Commerce –MASIT asked the Project to provide PR and communications support for promoting the two day international conference “E - Government and Open Days SEEITA” conference (www.seeita.org), as one of the most significant events in the field of ICT in Southeast Europe. The Project agreed to provide this type of support in addition to organizing

the B2B meetings (as reported under the SP-Y4-Export-#1). After the approval of the SP and signing the MoU with MASIT, the project's Communication Manager arranged exposures on national (public and private) TV stations, such: MTV and ALFA and on radio. These exposures were done before the conference began.

Since the conference was international and involved high-level officials, a press release was prepared and disseminated before the event to all media, including those recommended by MASIT in line with their PR strategy. The conference gained vast media coverage on TV, but also in electronic news in total reaching 21 articles (not including those on TV). Subsequently, press clippings were compiled and shared with MASIT. All PR information related to this activity was posted on MASIT's website <http://www.masit.org.mk/index.php/en/menu-title-4/246-2013-10-29-15-25-35>; and shared with the USAID/COR and DOC office.

Identify, develop and disseminate specific and targeted market information in InStore Macedonia

As in the previous year, the successful collaboration with the economic magazine InStore continued throughout FY14. InStore asked the Project to provide testimonial for "Told about us" section, where the Project had the opportunity to express its level of satisfaction with its mutual cooperation. The Project prepared the input, featuring the Chief of Party. The input was published in the December edition of the Magazine.

An article related to social entrepreneurship, a theme that was discussed at an event organized by the Project on April 24, 2014, "Follow up Workshop on the Role of the Business Community in Inclusion of People with Disabilities" was published in the July/August, 2014 edition of InStore.

In FY14, the Communication Manager in cooperation with the IDEAS' PPD Component Lead, on behalf of the NECC, developed an article for InStore's Magazine section "Mislenja i komentari" [Opinions and Comments]. In the role of NECC representative, the PPD Component Leader provided NECC's views regarding the current business environment and provided a brief overview of the domestic and foreign investments in the country. The article was posted on the NECC's website.

Develop and Release Media Advisories and/or Press Releases

During FY14, three press releases were developed in coordination with Component Leaders and project stakeholders. The first was for the E - Government and Open Days SEEITA" conference developed in coordination with MASIT; the second for the "WEF Global Competitiveness Report – working session", developed in coordination with PPD and NECC, and the third for the NECC's working session, held on December 18, 2013.

Provide Regular Updates to the IDEAS Website

During Year 4, the Communications Manager developed web-based information related to Project-led activities and those led by NECC. Sixteen (16) articles were published in the "News" section of the webpage, as follows:

- The Role of the Business Community in People with Disability Inclusion –roundtable;
- Recommendations for Improvements of the Current ENER solution and the RIA Model - second Coordinative Meeting;
- Training on creating policy papers for the business community;
- Use of Social Media in Export Marketing Training;
- Regulatory Impact Assessment (RIA) – possibilities and challenges for successful utilization;
- Participation at the annual World Bank's Workshop on Public – Private Dialogue;

- Training for heads of departments and sectors in the public administration on Regulatory; Impact Assessment and use of the Unique National Electronic Regulation System;
- Public-private partnership dialogue training for the business community;
- Trade mission and B2B meeting for companies from the agribusiness and food sector;
- Development of a database of potential domestic suppliers;
- Manual for creation of a branding strategy developed with IDEAS support;
- 3rd issue for 2014 of Exporter published;
- Workshop on Policy Paper Creation Mentoring;
- Two new software modules to be used by the TIDZ Directorate;
- Third session of the workshop on Policy Paper creation mentoring process held in Dojran; and
- With our support, 7 Macedonian companies participated at the CeBIT Bilişim Eurasia in Istanbul.

NECC-related web-based information:

During the reported period, the NECC web site was launched (www.necc.mk), and the PPD team with the Communication Manager continued to develop and post information related to NECC-led activities and results. Hence eight articles were developed related to the following activities:

- The Role of the Business Community in People with Disability Inclusion –roundtable;
- Training on creating policy papers for the business community;
- NECC partner in implementation the Project - Forums with the employers;
- Private Sector and the Government Working on Improving Macedonian Competitiveness;
- Announcement for organizing the training for using the Unique National Electronic Regulation (ENER) System, published on NECC's website;
- Training for the Public Administration and the Business Community to Use the Unique National Electronic Regulation (ENER) System;
- Workshop on Policy Paper Creation Mentoring;
- Third session of the workshop on Policy Paper creation mentoring process held in Dojran.

Develop IDEAS Conference and Training Calendar

Throughout FY14, the Communications Manager prepared and submitted inputs for the EG Conference /Training Calendar as well for the USAID DOC Calendar of Public Events.

Promoting Project activities and Results

During the reporting period, the PPD Component Leader was approached by the private TV station “Nasha-TV”, to be a guest on their business show “Profit” and present Project activities and share cooperation with Project stakeholders such as NECC and InvestMacedonia and the private sector. The interview was held on June 3, 2014 at the IDEAS premises, and it was broadcast on June 6 at 20:30 pm.

DOC writing workshop

On December 23, 2013 USAID's DOC office with Valery Colby, the U.S. Embassy's PAO organized a two-hour writing workshop for all information Officers of USAID-funded projects. The IDEAS Communication Manager participated in the training held on U.S. Embassy premises.

Environmental Compliance Training

The Communications Manager participated in the half day “Environmental Compliance & Sustainability Training” organized by the USAID Mission in the Multipurpose Room of the U.S. Embassy. The following topics were discussed at the event:

- Background and Legal Basis for Environmental Requirements;
- Complying with 22 CFR 216 Requirements;
- Roles and Responsibilities for Environmental Compliance within USAID, and
- Mitigation and Monitoring.

YEAR 5

- **Promoting ENER web portal on ALSAT TV station**

Upon recommendation from USAID, the private TV Station ALSAT approached the project to provide a statement about the ENER web portal and its usage. On December 5, the station arranged an interview for the PPD Component Leader. During December, the responsible journalists (Aleksandar Dimitrievski and Vasko Popetreski) at ALSAT TV (partner of USAID’s Project for Enhancing Civil Society Organizations and media cooperation & investigative journalism) were creating a piece on “360 degree TV show” about the use of ENER. The two journalists conducted a survey during September-November 2014 and they wanted to present the results, including statements from customers and relevant institutions such as: Minister of Information Society and Administration, British Ambassador in Macedonia, USAID/Macedonia, Macedonian Center for International Cooperation, and the Chamber of Commerce.

The story entitled “Transparency in the process of preparing laws” on the 360 degree TV show was broadcast on December 12, 2014. The entire show was uploaded on the following link <https://www.youtube.com/watch?v=ASGkVgmPURc>

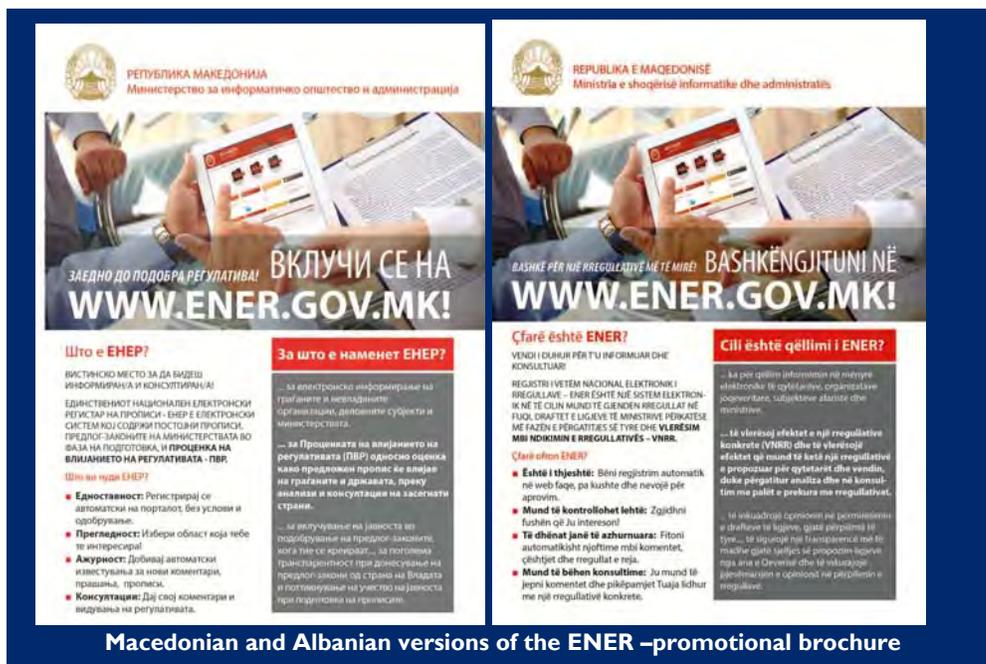
- **ENER promotional brochure- update**

On December 25, 2014 the Ministry of Information Society and Administration organized a press conference to present the new and upgraded web portal Unique National Electronic Register of regulations-ENER. Minister Ivanovski stated that the new portal was created as a result of successful



cooperation between the Ministry of Information Society and Administration and USAID’s IDEAS project. The new version of the portal includes: new design and modern modules: simple registration and instructions for use, new systematization of rules, systematically configured period of automatic publication of comments; a counter that shows the date and time of completion of the consultation process which provides clearer insight for public users about time frame to post their comments. The entire Press Release of the event was published on the Ministry’s website: <http://www.mioa.gov.mk/?q=node/3862>

In order to promote the portal broadly, the Project updated the ENER promotional brochure (Macedonian and Albanian versions) and provided electronic versions to the Ministry of Information Society and Administration.



Macedonian and Albanian versions of the ENER –promotional brochure

Toastmasters training

On January 15, the USAID DOC office organized the first inception meeting for toastmasters training. The Project Communication Manager participated in the meeting. The goal of this initiative is to empower individuals (Project Information Officers) to become more effective communicators and leaders. The training itself intends to provide a supportive and positive learning experience in which members are empowered to develop communication and leadership skills, resulting in greater self-confidence and personal growth.

The first session of the toastmaster training was hosted by the USAID Interethnic Integration in Education Project (IIEP). The Project Communication Manager participated in the meeting, in the role of “General Evaluator” and afterwards provided a speech related to “How to give good evaluations”. When the Table Topics Session was conducted, each member of the group completed an individual evaluation sheet, and handed it to the General Evaluator. After evaluating the feedback, the General Evaluator provided a summary of the evaluations and shared it with all members on the next session held on February 27. The purpose of the feedback is to provide suggestions for improvements of the speakers related to their body language, eye contact, voice, language, grammar, etc.

Identify, develop and disseminate specific and targeted market information in InStore Macedonia

On February 25, the Communication Manager met with Natasha Atanasova, the Editor in Chief of InStore. At the meeting, IDEAS presented current activities and results in order to identify articles to be published in the next issues of InStore. On May 26, the Project Communication Manager met with journalists of InStore, Alma Rastoder and Danche Draginova, and discussed project activities recently completed that are appropriate for publishing in the Magazine. It was agreed that an article promoting the new improved version of ENER, and its benefits for the business community be prepared by the Project in coordination with the magazine. The article was published in August as part of the double issue of the magazine for July/August.



Goran Lazarevski on Telma TV's morning program

Producing Video for Annual PPD WB Workshop Participation, March 10-13, in Copenhagen, Denmark

The project was invited by the World Bank to present IDEAS' achievements with ENER and RIA as a model for other countries. The Communication Manager in support of the PPD Component Leader developed a short video in order to present the results of the Public Private Dialogue in the Republic of Macedonia. The video is titled "ENER: an E-Gov solution for public consultation in the legislative process-a national platform for sustainable PPD based on Regulatory impact assessment transparency principles".

Promotional material

The Communication Manager in cooperation with the Component Leads developed a double-sided (bilingual) Project One Pager. The One Pager was printed in 200 copies, and its electronic version was posted on the website <http://www.ideas.org.mk/>

Media training

On April 30, the USAID DOC office organized Effective Media Relations training. It was hosted by the USAID's Municipal Climate Change Strategies Project. The Project Communication Manager participated in the meeting. The objectives of the training were to: a) increase the understanding of Macedonian media, b) clarify the roles and responsibilities of information officers, and c) gain practical skills in handling the media effectively.

Morning show promotions

In consultation with DOC, the Project promoted its PPD-related activities with special emphases on ENER on the morning show of Telma. Goran Lazarevski, the PPD Component Lead presented the achievements of the Project in the area of public-private dialogue accomplished in the past several years. After the show, the Communication Manger developed an input for the USAID FB page and IDEAS website. Links to the article are below:

<https://www.facebook.com/USAIDMacedonia/videos/vb.110116725731764/840772475999515/?type=2&theater>

<http://www.ideas.org.mk/News/196/Promoting-Project-Activities>

Corporate branding of IDEAS DePo

Branding and marketing tools for the legacy organization were developed. The design of a logo, business cards, letterhead, one-pager, folder and banners was defined by a professional designer in close consultations with IDEAS and IDEAS DePo. The visuals were printed upon the registration of the organization's



web and email domains. After the IDEAS DePo Capacity Building workshop which was held in June, the Communication Manager in coordination with Component leaders developed the specification for the IDEAS DePo website. Hence, a Request for Proposals was developed and sent to three ICT companies.

Three bids were obtained and subsequently evaluated. The proposal/design provided by 4 VIRTUS was selected. After completion of the procurement procedure, the contract was signed and the company started to work on developing the webpage of the IDEAS DePo.

On August 6, the Communication Manager and IDEAS DePo representative met with 4 VIRTUS and discussed the design and possible modifications as well the input materials for posting on the webpage.

In September, the Communication Manager customized relevant activity-related web information and shared with the company for posting.

Web/FB-based information

During the reporting period, the Communication Manager prepared briefs related to activities completed, such as:

- Participation at the 8th annual Public Private Dialogue World Bank Workshop “Public-Private Dialogue for sustainable business;”
- MOU signing event for improving of the inspection supervision system in Macedonia. These were translated on Macedonian language, and posted on the website <http://www.ideas.org.mk/Pages/NewsAndEvents/>

The information about Participation at the 8th annual Public Private Dialogue World Bank Workshop, was customized and shared with COR and DOC, and after was shared through USAID's FB profile <https://www.facebook.com/USAIDMacedonia/posts/787658164644280>

Briefs prepared included:

1. *Package of 32 Measures for Better Competitiveness of the Business Sector*

The article relates to the government session held on April 8, 2015 in Skopje. The Government informed that the package of 32 competitiveness measures in nine fields, proposed by the NECC, was adopted. The event gained good media coverage; it was published in major media portals, such as:

- www.time.mk
- <http://republika.mk/?p=414582>
- <http://www.utrinski.mk/?ItemID=53B7C76E0CFCFB44B931D6EAB110F00A>
- <http://www.press24.mk/usvoen-master-plan-so-32-merki-za-podobruvanje-na-konkurentnosta-na-ekonomijata>
- <http://lider.mk/2015/04/08/set-od-32-merki-za-pogolema/>
- http://www.kurir.mk/makedonija/vesti/196090-Usvoen-master-plan-so-32-merki-za-podobruvanje-na-konkurentnosta-na-ekonomijata?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+kurir%2Fmakedonija+%28%D0%9A%D1%83%D1%80%D0%B8%D1%80+-

- [+%D0%9C%D0%B0%D0%BA%D0%B5%D0%B4%D0%BE%D0%BD%D0%B8%D1%98%D0%B0%29](http://www.facebook.com/search/str/USAID%20Macedonia%2C%20necc/keywords_top)
- <http://mrt.com.mk/node/22069>

The article was translated into Macedonian language, and posted on the USAID Facebook page https://www.facebook.com/search/str/USAID%20Macedonia%2C%20necc/keywords_top and the Project website <http://www.ideas.org.mk>

2. *Study Tour for Customs Administration Transit Coordinators*

The article was shared with USAID COR and DOC office and posted on the Project website <http://www.ideas.org.mk/News/190/Study-Tour-for-Customs-Administration-Transit-Coordinators>

Informal Gathering with Journalists

On June 23, the USAID DOC office organized an informal gathering with journalists working in economic growth. This is a regular activity organized on a quarterly basis by DOC, on different topics following USAID strategic objectives. The goal of this networking event is to pitch a story to the media and raise journalist interest about the project's activities, explain the project's activities, and make them learn more about what USAID is doing.

The Project CoP and the Communication Manager participated in the event, and interacted with journalists coming from the following media:

- TV stations: Telma; 24 Vesti; Sitel, and MTV;
- Print media: Utrinski Vesnik and Koha;
- Electronic: Meta News Agency; Ekonomija I biznis magazine

The event was attended by USAID representatives (Mission Director; EG sector technical staff and DOC staff) and all USAID EG projects represented by the CoPs and Communication Officers.

Develop IDEAS Conference and Training Calendar

During the reporting period, the Communications Manager prepared and submitted inputs for the EG Conference /Training Calendar as well for the USAID DOC Calendar of Public Events.

SP-Y5-Media#1- Promotion of Project's Achievements-Close Out Event

During September, IDEAS began the process of planning and organizing the Project's close out event. The scope of work was drafted and offers for potential venues for organizing the event were obtained. In October, IDEAS prepared a Scenario for the event and Decision Memo, requesting the US Ambassador's participation. Later, on October 22, a meeting with IDEAS and USAID representatives was organized to discuss the event's details, and several dates (December 9, 10, 11) were proposed for the event. Following the discussion and suggestions for improvements, the Communication Manager revised the Scenario and the Decision Memo and sent them back to USAID representatives for next steps.

The scope of work for this activity was approved by USAID on November 12, 2015. The general objective of this activity was to promote the accomplishments of the five year USAID Investment Development and Export Advancement Support (IDEAS) project, including working to improve the business policy environment, increasing private sector investment and promoting increased exports of Macedonian products.

On November 9, the project was informed by DOC, that the U.S. Ambassador accepted the Project's invitation to participate and provide remarks at the Close-out event on December 11, 2015 at the Holiday Inn, Skopje. In November, all related event documents such as: Event Briefer and Remarks, Press Release and Media Advisory, in addition to event visuals, such as: invitation, banner and plaque for appreciation were developed and submitted to USAID.

On December 11, 2015 IDEAS organized the Close Out event. Ambassador Baily and USAID Mission Director James Stein presented plaques of appreciation to the eleven project counterparts: the Cabinet of the Deputy Prime Minister for Economic Affairs of the Republic of Macedonia, the Ministry of Economy, the Ministry of Information Society and Administration, the Agency for Foreign Investments and Export Promotion of the Republic of Macedonia (InvestMacedonia), the Directorate for Technological Industrial Development Zones, the Public Procurement Bureau, the Macedonian Customs Administration, the Inspections Council, the State Labor Inspectorate, State Market Inspectorate, and the National Entrepreneurship and Competitiveness Council (NECC) of the Republic of Macedonia.

At the event IDEAS' One Pager related to promoting results and impacts and IDEAS DePo's One Pager were distributed.



IDEAS Close Out Event, December 11th, 2015

INCLUSIVE DEVELOPMENT

SP-Y3-Media/PPD# 3-The Role of the Business Community in People with Disability Inclusion -roundtable -

During Y3, the Project's Point of Contact for inclusive development (the Communication Manager), in cooperation with the PPD component, identified an activity related to Inclusive Development, entitled: "The Role of the Business Community in Inclusion of People with Disability" – roundtable. The purpose of the roundtable discussion was to gather stakeholders responsible for the inclusion of people with disabilities. It enabled them to discuss their experiences and their efforts to increase employment opportunities and identified opportunities for better cooperation, in order to improve the current situation of people with disabilities. The general objective was to create a more sensitive climate within the business sector for the inclusion of people with disabilities in the community.

The roundtable was organized by the Project and the National Entrepreneurship and Competitiveness Council in cooperation with "Open the Windows" in Skopje. The participants on the round table included: Ministry of Labor and Social Policy; Employment Service Agency of the Republic of Macedonia; National Council of Disability Organizations of Macedonia; representatives of the private sector: Textile Trade Association/Textile Cluster; "Alfi"-private company; and the Business Confederation Macedonia; and representatives of the civil sector: National Council of Disability Organizations of Macedonia; Association of Students and Youth with Disabilities, NGOs My Career, Open the Windows (currently, both implementing USAID funded projects). In total over 30 persons attended the roundtable. After the event, Press Release was disseminated to media. The event positive coverage, ten articles were published in various media.

SP-Y4-Media/PPD #2 - Follow up Workshop on the Role of the Business Community in Inclusion of People with Disabilities

During the reporting period, as planned in the work plan for Year 4, the Project implemented the SP-Y4-Media/PPD#2 - "Follow Up Workshop on the Role of the Business Community in Inclusion of People with Disabilities".

The scope of work was approved by USAID on March 28, 2014. The general objective was to identify specific measures to improve inclusion of people with disabilities in the private sector. The goal was to help employers hire people based on merit. The workshop was organized by the Project in cooperation with NECC. Workshop participants included: representatives of the Ministry of Labor and Social Policy, the Association for Protection of Economic Interests of Protective Associations in Macedonia – ZAPOVIM, representatives of relevant chambers of commerce, UNDP, NGO My Career, NGO Open the Windows and USAID's Youth Employability Skills Network Project, totaling 20 participants.

In order to develop a set of specific, sustainable and realistic measures that will help the process of employment of people with disabilities, all the attendees at the event had the opportunity to propose a set of measures, based on their experience with people with disabilities.

USAID Inclusive Development Meeting

The Communication Manager, acting as the Project's Inclusive Development Point of Contact, attended the annual USAID Inclusive Development meeting held on June 11, 2014 at the U.S. Embassy in Skopje. Representatives from all USAID-funded projects in the country participated in the meeting, and presented the activities they have organized related to inclusiveness. The IDEAS representative shared the experiences from the follow-up workshop on the role of the business community in inclusion of people with disabilities and the next steps that the Project, in cooperation with NECC, will take to

improve the employability of people with disabilities in the private sector. USAID's Mission Director James Stein addressed the participants, emphasizing the importance of the subject for the USAID Mission, and encouraging all USAID projects to provide assistance based on their resources to increase inclusion/ outreach to people with disabilities.

Lesbian Gay Bisexual Transgender and Intersex (LGBTI) training and Social Inclusion

On September 17, the Communication Manager participated at the half day LGBTI training and Social Inclusion organized by the USAID Mission. The training was intended for USAID Implementing Partners and conducted by Ajit Joshi, Democracy Specialist, USAID/DCHA/DRG/HR. The objective of the training session was to educate USAID's implementing partner staff on issues of tolerance, inclusion, human rights, and equitable access and discuss the Agency's goals and aspirations regarding social inclusion. After the training, a brief report summarizing the conclusions from the training, was shared with the Project's CoP.

Inclusion of Persons with Disabilities

In October, IDEAS provided the following input for the USAID Quarterly Reports (Jul-Sep, 2015) on Inclusion of Persons with Disabilities (PWDs).

During 2015, the Investment Development and Export Advancement Support project and the National Entrepreneurship and Competitiveness Council (NECC) organized in-house trainings on operational efficiency and advocacy. The aim of these mentoring sessions was to train representatives from the private, public and civil sector (members of the NECC) working on policy creation, research and analysis, to be able to use manners and instruments to influence public policies to create a more favorable business environment. In particular, to include specific and realistic measures to improve the employment process for PWDs. The Project assisted the NECC in contributing to the creation of policies for inclusion of vulnerable groups in the labor market through the National Working Group for the Annual Operations Plan of Active Employment Measures, resulting in a significant number of participants and improved inclusiveness of the labor market.

INTERNSHIP

YEAR 1

The USAID IDEAS Project initiated the internship program. The purpose for implementing this program was to present an opportunity to young people, usually university students and/or recent graduates, to receive on-the-job training (i.e., practice and experience). These young people were given a unique opportunity to receive practice at a project that USAID financed and Booz Allen Hamilton implemented. This opportunity provided these youth with not only significant knowledge about international/U.S. procedures and rules but also an ability to work and communicate with other international, governmental, and private and business institutions. Furthermore, they also received advice and gained experience from local experts with substantial knowledge and expertise. Working in an environment that is different from that in the Macedonian public and private sector presents diverse opportunities in gaining experience, developing professional behavior and communication, and creating a network of contacts, communications, and specific specialization in the interns' areas of interest, which is an invaluable asset for every young person who has just started to build his/her professional career.

This effort meant direct involvement in preparations for events (e.g., conferences, seminars, workshops), activities in various working groups, important high-level meetings, providing logistics and support, working with other project team members on the development, production, and dissemination of project publications (print and online media), assisting with developing presentations, lectures, and translations.

The Internship Program is expected to continue to enable interns to gain experience and develop contacts in the public and private sectors, which ultimately will enhance their skills and help them become more competitive in the labor market when they begin searching for employment. Keeping in mind the valuable experience that the IDEAS Project has had in regard to the interns and their performance, the Internship Program is planned to continue, taking into consideration the mutual benefit: interns gain enormous practical experience and knowledge and receive valuable assistance and support from the project's senior leadership, which in return makes this project effective and efficient.

YEAR 2

In the second year of its operation, the IDEAS Project continued with implementing the Internship Program. From the beginning of the Project, a total of nine interns were engaged under this Program. During the reporting period, nine interns were involved in preparing and organizing high-level events; organizing meetings; providing logistics and support; working with project team members on the development, production, and dissemination of project publications; drafting various reports; tracking media articles and compiling Press Clippings; assisting with developing presentations and providing translation. The interns were organized in two groups. One group was composed of students from the State University "Ss. Cyril and Methodius University" in Skopje and the second group of interns was from the University American College in Skopje.

Furthermore, the Program provided interns with an opportunity to "test drive" a career, a chance to network, and establish relationships with mentors; have an introduction to the field's culture and etiquette; accumulate new skills and most importantly gain a "real world" perspective on an occupation. The Internship Program is expected to continue to enable interns to gain experience and develop contacts in the public and private sectors, which will ultimately enhance their skills and help them become more competitive in the labor market when they begin searching for employment.

Recognizing the valuable experience that the Project had in regard to the interns and their performance, the Internship Program is planned to continue in the third year, taking into consideration the mutual benefit: interns gain enormous practical experience and knowledge and receive valuable assistance and support from the project's team members, which in return makes the Project more effective and efficient.

PERFORMANCE MONITORING PLAN (PMP)

FY 2013 Trade Capacity Building Survey

In November, the Project provided input for the FY 2013 Trade Capacity Building (TCB) Survey. Namely, the Project contributed to three TCB Categories for Portion of Activity with Funding from Assistance for Europe, Eurasia and Central Asia and Implementing Agency of USAID/Macedonia, and those are: 1). Trade Promotion with \$19,254, 2). Enterprise Development with \$68,708 and Other Trade Capacity Building with \$114,998 (Public Private Dialogue; Communications; Inclusive Development; Professional Development).

Data Quality Assessment

On December 11, 2013, the Monitoring and Evaluation Manager along with the Public Private Dialogue Component Leader met with Ivica Vasev, USAID's Project Development and M&E Specialist to discuss USAID's Performance Plan and Report (PPR) on the indicator 4.6.I-CI: "Number of public private dialogues mechanisms utilized as a result of USG assistance." Namely, USAID regulations require a Data Quality Assessment (DQA) to be conducted for the indicators reported in the PPR every three years and the last one for this indicator was done in 2010. During the meeting, IDEAS completed the DQA Checklist.

The aim of the checklist was to assist in assessing each of the five (validity, reliability, timeliness, precision, integrity) aspects of data quality and provide a convenient manner in which to document the DQA findings. After the meeting, the completed DQA Checklist for this indicator was reviewed and cleared by the Monitoring and Evaluation Manager.

USAID Implementing Partner Performance Monitoring Workshop

On September 16 – 17, 2014, the Project CoP, DCoP and Support Officer (on behalf of the M&E Manager), attended a two-day workshop organized by USAID Macedonia. The aim of the workshop was to build the capacity of implementing partners (IP) with respect to the design, collection, storage, analysis, and use of performance monitoring data within USAID's program cycle. The ultimate goal was to increase partner understanding of their roles and contributions to USAID's monitoring framework and reporting.

The workshop was an excellent opportunity, through practical examples, to enhance the knowledge on Monitoring and Evaluation procedures, novelties and recent developments in program monitoring and guidance at USAID as well as to receive answers for any challenges or issues regarding data collection and reporting.

B-REDI Indicators

Upon revisions and recommendations given by the USAID's Project Development and M&E Specialist, and incorporated by the Project, the PMP was approved by COR on February 6. The final version of the PMP includes the following B-REDI indicator: "Number of regulations modified or introduced as a result of project activities".

Definition of the indicators is as follows: Regulations are defined as laws, secondary legislation, procedures, rules, Government decisions, guidelines, protocols, programs or other acts that affect the legislative and/or policy framework in the areas of trade integration and facilitation, inspections and public-private dialogue.

FY 2015 Strategic Level Portfolio Review

In October, IDEAS provided input for the November 2015 Portfolio Review, (Performance and Resulting Reporting) particularly on the Activity Implementation section and PPR Indicators, including the rationale for B-REDI indicator “*Number of regulations modified or introduced as a result of project activities*”.

In November, upon USAID’s request, the Project provided deviation rationale for the PPR indicator: “*Number of days of USG funded technical assistance in business enabling environment provided to counterparts or stakeholders*”. The actual result of this indicator through September 30, 2015 (as reported in the QR July-Sep, 2015) was 1713 (vs 1522 planned) days spent for providing technical assistance in a business enabling environment. The actual result (1713) included all project staff LoE and Project stakeholders and counterparts, including IDEAS DePo.

As instructed by USAID all IDEAS DePo supported activities cannot be considered as a stakeholder or counterpart. Therefore the Project was advised that all activities that were undertaken for the NGO (through September 30, 2015) be removed, since they are not attributable to the indicator. Following this guidance provided by USAID, the Project revised the actual, and the new/revised actual result of this indicator is 1570, reflecting the number of days of USG TA provided to the government and private sector.

PROJECT LEGACY

A series of activities were realized in regard to the Project legacy organization. After finalizing the extensive process of developing the basic documents and scope of activities for the new organization as well as its structure, mission, vision and expected fields of work, the Project team completed the process of legal registration on January 16, 2015.

The legacy organization named “Centar za razvojni politiki IDEAS DePo” (Center for development policies IDEAS DePo) is operational in accordance with Macedonian legislation, with IDEAS’s Goran Lazarevski as its Director. The process of definition and approval of the subcontract to be signed between Booz Allen Hamilton and IDEAS DePo was completed, resulting in an Approval to Proceed, providing IDEAS DePo full operability.

The procedure for employee transfer has also been completed and three IDEAS’ staff members are employed at the IDEAS DePo.

Based on the received Approval to Proceed, IDEAS DePo submitted and received approval for two scopes of work and is working on the implementation of activities, while the budgeting documents were also created and the first bank transfer occurred, to be followed by monthly transfers to finance the realization of scheduled activities.

In March, the organization started to work on developing its branding and marking tools, such as: domain registration; logo; business card; banner and One Pager. The visual identity of IDEAS DePo was defined after an internal consultative process and the preparations for the printing of materials were completed. The process for registration of new web-domains and e-mail addresses for IDEAS DePo was completed, enabling the new organization to operate separately from the Project accounts.

In coordination with IDEAS colleagues, the internal procedures for purchasing and authorization, based on related procedures used in the USAID Project system were reviewed and harmonized. Specific decisions were issued, giving IDEAS DePo staff members clear duties in regard to following ongoing public calls, tenders and other potential business opportunities. The preparatory efforts for the issuing of a Code of Conduct for IDEAS DePo was initiated and is expected to be completed in June. Training programs were identified for IDEAS DePo staff members.

In April, a series of activities were realized in regard to the harmonization of the daily operations of IDEAS DePo with the local legislation in place, adequate documents were prepared, such as statute, internal organization and authorization schemes, etc. A continuous effort to perform ongoing market analysis and create potential client lists was initiated in May. An initiation contact was established with two consulting companies in Serbia (Maxima consulting Belgrade and Smart-Kolektiv Belgrade) to discuss possible joint projects. The PADOR EU-funding-system-registration procedure was completed for IDEAS DePo.

A series of coordinative meetings with IDEAS staff members and stakeholder representatives were held to prepare and arrange the further realization of activities, many of which are already subject to realization (Component Level Achievements).

SP-Y5-Legacy-#1- IDEAS DePo Capacity Building

The scope of work was approved by USAID on June 2, 2015. The purpose of this activity was to facilitate the process of institutional and organizational development of IDEAS DePo through a series of

activities that defined the organization's goals, areas of interest, operational environment and competition, and staff competencies, among others. This enabled DePo staff to identify principle areas of concentration, potential services to be offered, potential business collaborations and partnerships, and an operating environment that will be fundamental for the success and sustainability of IDEAS DePo. Upon completing the procurement procedure, CDS (Center for Business Cooperation) was contracted to design and conduct the workshop. The event was held June 11-12, in Mavrovo.

All 12 staff members and Project's CoR actively participated in, and took ownership of, the training and planning process. The training approach was hands-on and participatory in nature, providing a safe environment for everyone to freely present their opinion and expectations. The two day training included topics such as: discussion on the current situation of the organization; stakeholder analysis; PESTLE Analysis; SWOT Analysis and determination of strategic priorities and goals.

After summarizing and analyzing findings from the workshop; CDS submitted a draft report which was shared with all participants in order to obtain their comments, thus finalizing the report. Taking into consideration the recommendations given by the Project staff and USAID, as well as the facilitator's assessment and recommendations, the report was finalized and shared with all participants and USAID.

As recommended by CDS, the planning process continued with choosing one strategic priority, creating a list of key objectives and a detailed implementation (action) plan. This was expected to take place in a period not longer than a month after the first workshop to keep the process alive and people as involved as possible. It is of utmost importance to establish in a participatory process a solid and clear organizational structure of DePo with well-defined roles and responsibilities. This enables the action plan to become more effective in the short time remaining before December 28. In terms of leadership of the IDEAS DePo, there is a clear need for a leader to step up and take charge of the transition process. This should happen naturally between now and the next phase of the planning process.

The CDS facilitator met with IDEAS, IDEAS DePo as well as USAID representatives, and discussed the business model, obtained their inputs and defined the next steps. After assembling all information, the CDS submitted the Business Plan in the first half of August.

After the facilitated training and brainstorming session for IDEAS DePo Staff members and IDEAS team members on the business model and processes, the recommendations resulting from the process were used and our efforts to define a clear business plan continued and were successfully completed in the first half of August.



IDEAS DePo Stakeholder Analysis



Goran Lazarevski, presenting SWOT Analysis Finding

Efforts to provide financial sustainability for IDEAS DePo after the end of the Project were undertaken, by organizing a meeting with the team of Segura Consulting in Skopje along with Meri Cuculoska from USAID on activities planned for the FY2016 in Macedonia and the region, in the field of Trade facilitation, RIA/PPD and other fields of expertise of IDEAS DePo. Opportunities for collaboration were identified and active communication was established to achieve best outcomes.

In September, a series of meetings were held with potential future partners, including the Center for International Private Enterprise (CIPE) from USA, to discuss plans and opportunities for engagement of IDEAS DePo in activities relating to strengthening business advocacy organizations, dialogue, economic and democratic growth etc.

In October, the Project continued with implementation of the activities following the approved SoW's, reported under the Component Level Accomplishments section.

Significant progress was achieved in the process of building sustainability of the organization, by signing sub-contract agreements for the realization of expert assignments of IDEAS DePo, making the organization an implementation partner of the B-REDI USAID Regional Project.

In December the IDEAS DePo website was launched and the One Pager developed, which was distributed on the IDEAS Close Out event, held on December 11, 2015.

WHO WE ARE
Center for Development Policies IDEAS DePo is a non-profitable organization from the Republic of Macedonia whose main objective is to provide reliable and competent expertise in the processes of design and implementation of economic and regulatory reforms in Macedonia and the region.

MISSION AND VISION
IDEAS DePo works on strengthening the capacity of the government and private sector institutions for implementation of the necessary reforms, establishing mechanisms for transparent and efficient governance and creating policies for inclusive, sustainable and inclusive economic and social development.
IDEAS DePo acts as a competent and trusted partner that provides the necessary expertise and assistance to all stakeholders participating in the process of economic and regulatory reforms.

APPROACH AND OBJECTIVES

1. Create institutional and regulatory environment that positively contributes to the competitiveness and growth of business entities that encompass their business into enterprises and employment.
2. Promote transparency, efficiency and accountability in the most processes for sound economic governance.
3. Strengthen the capacity of the government, private and civil sectors to engage in informed and inclusive dialogue for efficient, sound and sustainable process of reform and implementation of development projects.
4. Promote rule of law at all levels of society.
5. Enhance regional cooperation through exchange of experiences and good practices, and generation of synergies in the process of economic and trade integration.

AREAS OF EXPERTISE

- Business Environment
- Investment Climate
- Competitiveness
- International Trade Integration
- Export Promotion
- Trade Facilitation
- Regulatory Compliance and Inspections
- Public-Private Dialogue
- Regulatory Impact Assessment
- Regulatory Culture
- Corporate Social Responsibility
- Commercial Law
- E-Governance

OUR TEAM
IDEAS DePo team consists of competent professionals with relevant experience and multiple years of experience in providing technical assistance and advice for reform aimed at bringing economic development policies and strengthening the institutional capacity for their implementation.

IDEAS DePo
Center for Development Policies IDEAS DePo
Skopje, Republic of Macedonia
info@ideasdepo.mk
www.ideasdepo.mk

IDEAS DePo One Pager

**USAID’s Macedonia Investment Development and Export Advancement Support
Performance Monitoring Plan**

No.	Performance Indicator and Unit of Measurement	Indicator Definition	Data Source / Frequency	Base line	FY 1 (2011)		FY 2 (2012)		FY 3 (2013)		FY 4 (2014)		FY 5 (2015)	
					Jan 11 – Sep 11	Oct 11 – Dec 12	Oct 12 – Sep 13	Oct 13 – Dec 14	Nov 14 – Dec 15	Target	Actual	Target	Actual	Target
Intermediate Result 3.1: Improved Business Environment in Critical Areas														
Sub IR 3.1.1: Strengthened Government Capacity to Implement Economic Policies & Programs														
Indicators under 1.1; 2.1; 2.2;														
IDEAS Project Result: Enhanced international trade integration and trade facilitation														
I.1.	Number of transit coordinators trained	Transit coordinators are persons appointed by the Director of the Customs Administration to serve as contact points with other customs administrations and with the business community. Trained is defined as strengthened capacity of the transit coordinators to perform their role in the implementation of the common transit procedure and the functioning of the New Computerized Transit System - NCTS.	Project Reports /Annually	0	-	-	-	-	-	-	-	-	6	6
I.2.	Number of new trade facilitation mechanisms required by the WTO Agreement on Trade Facilitation established and operational - National Trade Facilitation Committee and Trade Facilitation Enquiry Point.	Established and operational means that the relevant authorities adopted a formal decision for creating new or empowering existing bodies to coordinate trade facilitation policies and measures (National TF Committee) and to provide trade facilitation information to interested parties in an efficient and transparent manner (TF Enquiry Point).	Project reports, Implementing partners /Annually	0	-	-	-	-	-	-	-	-	2	0

NEW '15: IDEAS Project Result: Streamlined business enabling environment for inspections														
2.1.	Number of new policies or mechanisms adopted	Policies or mechanisms are defined as any reform programs that affect the legislative and/or policy framework. The entity that is expected to adopt them is the Council of Inspection Authorities (CIA).	Project reports, Implementing partners /Annually	0	-	-	-	-	-	-	-	-	2	2
2.2.	Number of inspectors and council members trained in new practices	Trained is defined as acquired skills to be able to independently perform inspections according to latest methodologies. The training would be provided not only for council members but also for inspectors from various inspection bodies.	Project reports, Implementing partners /Annually	0	-	-	-	-	-	-	-	-	100	138 (M: 77) (F: 61)
Intermediate Result 3.1: Improved Business Environment in Critical Areas														
Sub IR 3.1.2: Public-Private Dialogue Improved														
Indicators under: 3.1, 3.2, 3.3														
IDEAS Project Result: Strengthened institutionalized Public – Private Dialogue (PPD)														
3.1.	Percentage of new policies proposed by the business community which are adopted by the GoM	The number of new issues resolved by the GoM, against the number of policy measures raised before the GoM by the private sector organizations, firms, and individuals using acceptable advocacy approaches such as policy papers, public debates, conferences, and others.	Project reports, Implementing partners /Annually		-	-	-	-	-	-	-	63% baseline	65%	66% (130/ 197)
3.2.	Number of new professionals from the public, private and civil sector trained in RIA and ENER	Trained is defined as acquired skills to be able to independently perform Impact Assessment on current and new policies according to latest methodologies and use of the ENER as a direct PPD instrument. The trainings would be provided for different levels of public servants and business community organizations as well as relevant civil society advocacy entities.	Project reports, Implementing partners /Annually	0	-	-	-	-	-	-	-	-	200	185 (M: 62) (F: 123)
3.3.	Number of business organizations' representatives trained in policy paper creation and other PPD methods and instruments	Trained is defined as acquired skills to be able to independently create policy papers and proposals based on research and evidence for new and current policies in line with the newest methodologies and use of other PPD instruments. The trainings would be provided for different levels of business community organizations as NECC members as well as relevant civil society advocacy entities.	Project reports, Implementing partners /Annually	0	-	-	-	-	-	-	-	-	80	89 (M: 49) (F: 40)

IDEAS Project Result: Achieved long-term sustainable development by supporting local partners that will serve as engines for growth and progress														
4.1.	Local organization established as a USAID legacy organization	Local organization established*** with appropriate institutional and human capacity, built during the period of performance of the activities under the sub-award in the current IDEAS contract agreement, and ready to compete on the market in the future, following USAID's Forward Strategy for promotion of sustainable local development.	Project Reports /Annually	-	-	-	-	-	-	-	-	-	1	1
IDEAS Project Result: Enhanced Government Capacity to implement new Policies														
5.1.	Number of people trained as a result of USG assistance (disaggregated by gender and areas)	Trained is defined as acquired skills to be able to independently support the implementation of the policies, disaggregated by gender and areas. Areas are: industrial policy; export promotion; public procurement; public-private dialogue.	Project reports, Implementing partners /Annually	0	155	77 (M: 38) (F: 39) (IP: 47) (EP: 30)	202	995 (M: 501) (F: 494) (IP: 112) (EP: 300) (PP: 420) (PPD: 163)	1240	1368 (M: 691) (F: 677) (IP: 149) (M: 65) (F: 84) (EP: 321) (M: 189) (F: 132) (PP:420) (M: 190) (F: 230) (PPD: 478) (M: 247) (F: 231)	1618	1,877 cumulative (M: 914) (F: 963)	2327	2424 cumulative (M: 1171) (F: 1253) (Y5: 545) (M: 255) (F: 290)

<p>5.2. (PPR)</p>	<p>Number of days of USG funded technical assistance in business enabling environment provided to counterparts or stakeholders</p>	<p>The provision of goods or services to developing countries and other USAID recipients in direct support of a development objective-as opposed to the internal management of the foreign assistance program. Services could include the transfer of knowledge and/or expertise by way of staff, skills training, research work and financing to support quality of program implementation and impact, support administration, management, representation, publicity, policy development and capacity building. Technical assistance includes both human and institutional resources. Technical assistance does not include financial assistance. Business enabling environment is defined as improving policies, laws, regulations, and administrative practices affecting the private sector.</p>	<p>Implementing partners /Annually</p>	<p>1218</p>	<p>N/A</p>	<p>1218</p>	<p>1585</p>	<p>1610</p>	<p>1633</p>	<p>1378</p>	<p>1578</p>	<p>1611</p>	<p>1522</p>	<p>1570</p>
<p>5.3. (B-REDI)</p>	<p>Number of regulations modified or introduced as a result of project activities</p>	<p>Regulations are defined as laws, secondary legislation, procedures, rules, Government decisions, guidelines, protocols, programs or other acts that affect the legislative and/or policy framework in the areas of trade integration and facilitation, inspections and public-private dialogue. Modified or introduced includes any formal changes made to the regulation as result of USG assistance.</p>	<p>Project reporting on number and types of activities /Annually</p>	<p>0</p>								<p>5</p>		<p>3 (PPD: 2) (Trade: 1)</p>

Notes:

Indicator under: 1.1. Number of transit coordinators trained. The Project organized a five-day study tour for the Customs Administration of the Republic of Macedonia, to the Slovenian Customs Administration stationed at the Slovenian Customs Headquarters in Ljubljana, the Central Transit Office in Nova Gorica and the Koper border post. The study tour was organized on April 14 – 19, 2015. The group included the national transit coordinator and five regional transit coordinators from the customs offices in Skopje, Kumanovo, Shtip, Gevgelija and Bitola.

Indicator under: 1.2. Number of new trade facilitation mechanisms required by the WTO Agreement on Trade Facilitation established and operational - National Trade Facilitation Committee and Trade Facilitation Enquiry Point. As provided by the Government Decision of October 10, 2014, the National Trade Facilitation Committee and the Trade Facilitation Enquiry Point will be established upon the ratification of the WTO Agreement on Trade Facilitation.

Indicator under 2.1. Number of new policies or mechanisms adopted. On March 11, 2015, the Project and the Council of Inspection Authorities signed a Memorandum of Understanding on their cooperation in organizing and implementing set of activities aimed at improvement of the inspection supervision system in Macedonia. As part of the MoU was development of methodologies and techniques for conducting uniformed inspection supervision. Therefore, the project engaged international consultant to develop a Manual for Inspection Methodologies. The draft document was developed in partnership with relevant stakeholders and shared with relevant institutions, asking for their feedback in order to be finalized by middle of July. During the last quarter, the project in cooperation with inspection Council completed the Manual for inspections and the web-portal. Both these tools were officially promoted affront of relevant institutions on December 4th, 2015.

Indicator under 2.2. Number of inspectors and council members trained in new practices. On June 3rd, 2015, the project in partnership with Council of Inspection Authorities, organized a workshop on the draft Manual for Inspection Methodologies, attended by 19 participants, representing the Inspection Council; State Market Inspectorate and Labor Market Inspectorate. In addition to this activity, a study tour in Austria was organized in September (7-9) for 9 representatives of the abovementioned institutions, including USAID, IDEAS project and IDEAS DePo. In course of last project's quarter, was organized a promotional event for 110 (85-female and 100 male) representatives of relevant inspectorates on web portal usage and the Manual for inspections.

***Indicator under 3.1. Percentage of new policies proposed by the business community which are adopted by the GoM.** By end of September 30, 2014, cumulatively 137 issues were raised. Out of raised issues, 86 were resolved (or 63%) as a result of Project's supported activities under the PPD implemented together with the NECC. The issues raised in the period October 2013-September 2014 to a large extent originated from the NECC as result of the working groups on specific priority topics. In addition, initiatives were submitted by the NECC member organizations (CoC's and BAs) and partially accepted, but always in coordination and communication with NECC and its involvement in the process. This indicator was changed from absolute numbers to percentage to better illustrate the success rate of acceptance of policy proposals issued by the private sector. Namely, as quality of proposals will rise based on the new approach, it is expected for the quantity to fall, while the rate of acceptance in percentage is expected to rise. In order to focus on the success rate as quality instead of quantity, this change of definition is proposed. We use the 63% (137 raised and 86 resolved) rate as baseline since it is the last achieved with the previous definition of this indicator. From beginning of the FY5 (November 1, 2014), until September 30, 2015, in total cumulatively 197 (60 in FY 5) issues were

raised. Out of raised issues, 32 competitiveness measures in 9 fields were adopted by the Government. These measures were proposed by the NECC.

Indicator under 3.2. Number of new professionals from the public, private and civil sector trained in RIA and ENER. From November 1, 2014 until December 11, 2015, the Project trained in total 185 participants (123 female and 62 male). The trainees were representatives of the departments and sectors in the public administration responsible for RIA/ENER.

Indicator under 3.3. Number of business organizations' representatives trained in policy paper creation and other PPD methods and instruments. The activities contributing to this indicator were implemented as scheduled during the summer period. In the course of September, a total of 89 (40 female and 49 male) business sector representatives from 11 different business organizations took part in the policy paper creation training and mentoring mechanism of the Project.

Indicator under 4.1. Local organization established as a USAID legacy organization. In January 2015, the process of legal establishment of the project legacy local organization was completed. During that process, founding members of the organization were identified and IDEAS's PPD Component lead Goran Lazarevski was registered as the President of the organization. The process was completed when the formal registration document was issued by the Central Registry of the Republic of Macedonia. The name of the local organization is: Center for Development Policy - IDEAS DePo.

Indicator under 5.1. Number of people trained as a result of USG assistance (disaggregated by gender and areas). Considering the new areas of work, the disaggregation of the results will be as follows: trade, inspections and public-private dialogue. From beginning of FY15, until December 11th, 2015, in total 545 people were trained. Out of which were 290 female and 255 male. The structure of the trained people according to gender balance is as follows:

- In Trade were trained 133 individuals, out of which 67 were males and 66 females.
- In Inspections were trained 138 individuals, out of which 77 were males 61 females.
- In PPD were trained in total 274 people, from which 111 were males and 163 females.

Cumulatively, by December 11, 2015 in total were trained 2,424 people, out of them 1,253 female and 1,171 male or in percentages 52:48

Standard indicator under the USAID Foreign Assistance Framework Program Elements: Private Sector Productivity and Business Enabling Environment.

Indicator under 5.2 (PPR) Number of days of USG funded technical assistance in business enabling environment provided to counterparts or stakeholders. Indicator is used for USAID/Macedonia Performance Plan reporting purposes starting from the beginning of FY2012. The baseline reflects the actual result of FY2011. The targets and actuals for each year are separate, not cumulative. From November 1, 2014- Sep 30, 2015, in total 1,570 days were spent for providing assistance to Project counterparts and stakeholders, against the targeted 1522 by end of the LoP, with the deviation of 48 days or 3 %. The actual result does not include all IDEAS DePo supported activities, as instructed by USAID. The actuals

includes number of days (by project staff-892 and consultants -678) spent for providing assistance to Project counterparts such: Ministry of Economy for organization of CEFTA Week 2014; the Ministry of Information Society and Administration for organizing trainings for heads of departments and sector in the public administration on Regularly Impact Assessments and use of the Unique National Electronic Regulation System; the Inspection Council for development of the methodologies and techniques for conducting uniformed inspection supervision and Developing a new e-Gov solution for the Inspection Council; and Macedonian Customs Administration on implementation of internationally recognized methodology for measuring the time for release of goods; and to the Macedonian Customs Administration for capacity building for customs administration transit coordinators.

Indicator under 5.3. (B-REDI) Number of regulations modified or introduced as a result of project activities. Indicator is part of the USAID's B-REDI Logical Framework. The reporting for this indicator starts from beginning of FY2015. The reporting for this indicator starts from beginning of FY2015. From November 1, 2014- Sep 30, 2015, in total 3 regulations were introduced as a result of IDEAS. Two of them were PPD related and one was related to Trade.

PPD

In the course of implementation of principles of Regulatory Impact Assessment (RIA) and public consultation, the process includes a series of changes and amendments to existent regulations in order to make sure the daily operation of the Government does not get jeopardized by the requirements of the system. After having identified the requests of the RIA towards the legislative bodies, the Government issued different decisions to add or include specific legislation processes from the RIA process, in cases when this is not adequate or cannot be expected to be delayed by the process. For this purpose, existent Rules of proceedings of the Government were amended in 2015 in coordination with the Ministry of Information Society and Administration as the institution in charge of RIA and public consultation, among which the Decision to exclude legislation regarding taking new debts and issuing debt guarantees by the Government of Macedonia. Amendments are expected to continue as the implementation of the newly upgraded ENER public consultation system and the RIA mechanism get fully implemented in the Government' daily operations.

In addition, as result of the submitted package of proposed measures for improvement, the Governmental National Operational Plan for active employment measures was amended to provide easier access and inclusion of the business community to use the assistance mechanisms.

Trade

Macedonia ratified the WTO Agreement on Trade Facilitation. USAID provided advice and guidance during the ratification process. The Law ratifying the Agreement was enacted by the Macedonian Parliament on July 29, 2015 and published in Official Gazette 130/2015.

The remaining two, are related to Trade and Inspections. The rational for these two are described below:

The remaining regulation from the **“Trade component”** is the formal decision for establishment of the Macedonian National Trade Facilitation Committee (NTFC). Though there is a Government conclusion from October 2014 that the NTFC will be established after the ratification of

the WTO Agreement on Trade Facilitation and this procedure was completed at the end of July 2015, it is still not certain whether the formal establishment will be carried out by the end of this year (and the end of the Project) or maybe extend to the first months of 2016.

Regarding the regulation from the **“Inspections Reform”** component the Project was informed that draft amendments on the Law on Inspection Supervision were prepared based on the Manual of Inspection Methodology developed with USAID’s IDEAS support, but unfortunately they were not adopted. Hence, tomorrow (October 20th, 2015), the Project’s “Inspections Reform” component representatives will have a meeting with the acting President of the Inspections Council and one of the topics of the meeting will be discussing future steps towards resolving this issue and reaching the projected target by December 2015.

ANNEX I: INDEX OF ALL CONTRACT REPORTS AND INFORMATION / INTELLECTUAL PRODUCTS PRODUCED UNDER THE CONTRACT

01. WORK PLANS

1. YEAR I WORK PLAN: DECEMBER 28, 2010 – SEPTEMBER 30, 2011
 - Proposed activities to be undertaken prior to Year I Work Plan Approval
2. YEAR II WORK PLAN: OCTOBER 1, 2011 – SEPTEMBER 30, 2012
3. YEAR III WORK PLAN: JANUARY 1, 2013 – SEPTEMBER 30, 2013
4. YEAR IV WORK PLAN: OCTOBER 1, 2013 – DECEMBER 28, 2014
5. YEAR V WORK PLAN: NOVEMBER 1, 2014 – DECEMBER 27, 2015

02. ANNUAL REPORTS

6. Semi Annual Report: December 2010 – June 2011
7. Annual Report: December 2010 – September 2011
8. Annual Report: October 2011 – December 2012
9. Annual Report: January 2013 – September 2013
10. Annual Report October 2013 – September 2014
11. Annual Report: October 2014 – December 2015

03. INDUSTRIAL POLICY

12. Analysis e-Commerce October 2014 Report (MK)
 - *Извештај од Анализата на состојбата со електронска трговија во Република Македонија*
13. Brochure KonkurentnostMK January 2013 (MK)
 - *Брошура за промоција на веб порталот конкурентностMK*
14. DTIRZ Aftercare Manual Final (MK)
 - *Прирачникот за грижа за инвеститори е да и помогне на Дирекцијата за технолошки индустриски развојни зони (Дирекција за ТИРЗ)*
15. Introduction of Electronic Construction Permitting System AR
16. C-B Analysis of TIDZ incentives Report
17. Study Visit to Slovenia Summary Report
18. Industrial Policy Draft Action Plan 2012 – 2013
19. InvestMacedonia Aftercare Manual (MK)
 - *Прирачникот за грижа за инвеститори е да и помогне на Агенцијата за странски инвестиции и промоција на извозот (АСИПИРМ)*
20. Investment Climate Questionnaire DTIDZ
21. Investment Climate Questionnaire InvestMacedonia
22. IP Monitoring&Evaluation Framework

23. Macedonia Aftercare Report
24. Macedonian Light Manufacturing Database Report
25. Report on Visas and Work Permits - Macedonia February 2012
26. Report_Seminar_Working as a Team for Industrial Policy
27. TRS Final Report December 2015 (MK)
 - *Проект за мерење на времето за царинење и пропуштање на стоки согласно методологијата на Светската Царинска Организација-Финален извештај*
28. User Satisfaction Questionnaire DTIDZ
29. User Satisfaction Questionnaire InvestMacedonia

04. PUBLIC PROCUREMENT

30. Action plan_eProcurement_2011-2012 (MK)
 - *Акциски План за одржување и развој на Електронскиот систем за јавни набавки за период 2011-2012*
31. eProcurement system_Status Report (MK)
 - *Извештај за статусот на електронски систем за јавни набавки (ECJH)*
32. Report on the Analysis of the training program and its implementation through the public procurement training centre (MK)
 - *Извештај од спроведената анализа на програмата за обука и нејзината реализација преку центарот за обука по јавни набавки*
33. Comparative analysis of public procurement in the region (MK)
 - *Компаративна анализа на статусот на органите, системот на обуки и професионализацијата во јавните набавки во регионот*
34. Model contract for procurement of software application development (MK)
 - *Модел договор а набавка на изработка на софтверска апликација (компјутерска програма)*
35. Skills_techniques_evaluation_scheme (MK)
 - *Услови и вештини за професионални квалификации за лицата кои вршат стручни работи за јавните набавки*

05. EXPORTS

36. Promote Macedonian exporting companies in the agribusiness and food sector by organizing a trade mission -B2B meetings and presentation at the International South East Europe Agricultural Fair in Novi Sad, Serbia
37. Branding Strategy Brochure (MK)
 - *Прирачник за изработка на стратегија за брендирање*
38. Broshura_Vodic_Apprel (MK)
 - *Водич за извоз на текстил*

39. Macedonian Fresh Fruits for the German market and Macedonian Table Grapes for the Slovak market by EPICENTAR
40. Export Promotion Training Report
41. InevstlnMacedonia_WebPortal_FinalReport (MK)
 - *Финален извештај Дизајн и развој на интернет платформа за електронско промовирање на услугите на Агенцијата за Странски инвестиции и промоција на извозот на Република Македонија*
42. Guide_Export_Services (MK)
 - *Водич за извоз на услуги*
43. Guide_Successful_Fair_Participation (MK)
 - *Успешно учество на трговски саеми*
44. Invest_Macedonia_Strategic_Framework
45. E-government and SEEITA Open Days Conference
46. We are learning exports brochure (MK)
 - *Водич за Учиме извоз*
47. Wine Study tour and B2Bs in US Report
48. Self_Evaluation_Tool_Export (MK)
 - *Прашалник за самооцена на конкурентноста и спремноста за извозен настап*

06. TRADE

49. CEFTA Week 2014 Final Report
50. TF Agreement July 2014 (MK)
 - *Спогодба за олеснување на трговијата*

07. PUBLIC PRIVATE DIALOGUE

51. BC Policy Paper Brochure (MK)
 - *Изготвување на предлог политики за потребите на бизнис-заедницата*
52. ENER WEB PORTAL Brochure (MK)
 - *ЕНЕР промотивна брошура*
53. NECC Logo
54. ENER Banner (MK)
55. Training on creating policy papers for the business community report
56. Position Paper on the agriculture processing industry in the Republic of Macedonia
57. Position Paper on Manufacture of products of woods and furniture in the Polog Region
58. Position Paper on Unique value proposition for the Macedonian
59. Position Paper Export and investment opportunities in Macedonia rural tourism development

- 60. Position Paper Investments by Diaspora (MK)**
 - *Предлог-Политика Поттикнување на инвестиции од дијаспората*
- 61. Working Paper Liquidity of Macedonian companies (MK)**
 - *Предлог-Политика -Ликвидност на македонските компании*
- 62. RIA Session Phases in RIA implementation (MK)**
 - *Фази во спроведување на ПБР*
- 63. RIA Session Consultations with partners in preparing RIA Report (MK)**
 - *Консултации со партнерите –Изготвување на извештај за ПБР*
- 64. RIA Presentation Tools for RIA implementation (MK)**
 - *Методи и алатки за спроведување на ПБР*
- 65. RIA Analytical Tools (MK)**
 - *Преглед на аналитички алатки за спроведување на Проценка на влијанието на регулативата*

08. INSPECTIONS

- 66. Study Visit Report**
- 67. Guidelines_for_ISO_implementation (MK)**
 - *Прирачник за имплементација на стандардот*
- 68. Inspection_Methodology_Manual**
- 69. Inspection_Methodology_Manual (MK)**
 - *Методологија за вршење на инспекциски надзор*
- 70. Nextsense_IC_website (MK)**
 - *Web портално решение*
- 71. Certificate_DPI (MK)**
 - *Сертификат на системот за менаџмент со квалитет*
- 72. Website Technical Specification for Inspection Council (MK)**
 - *Техничка спецификација за изработка на веб страницата на Инспекциски Совет на Република Македонија*
- 73. ENER Brochure-updated (MK)**
 - *Промотивна брошура за ЕНЕР- нова верзија*
- 74. Developing Technical Specification for the Upgrade of ENER**
- 75. Report about the training for increasing awareness of use of the PPP instrument**
- 76. Training on creating policy papers for the business community**

09. COMMUNICATIONS

- 77. IDEAS One Pager, April 2011**
- 78. IDEAS One Pager, April 2014**

- 79. IDEAS One Pager, June 2014
- 80. IDEAS One Pager, April 2012
- 81. BUSINESS, DIPLOMATIC TSL Training Report May 2014
- 82. IDEAS Close Out Result Pager, December 2015
- 83. Report from the working meeting with journalists
- 84. Communication Presentation Report (MK)
 - *Комуникациски стилови, разрешување конфликти, презентациски вештини и јавен настап*
- 85. The Role of the Business Community in Inclusion of People with Disability-Roundtable (MK)
 - *Извештај за работилница одржана на 03.10.2013 на тема- Улогата на деловната заедница во инклузијата на лицата со попреченост*
- 86. Follow up on the Role of the Business Community in Inclusion of People with Disabilities (MK)
 - *Идентификување на мерки за инклузија на лицата со попреченост во деловната заедница*

10. Legacy Organization IDEAS DePo

- 87. IDEAS DePo Brainstorm session report – CDS

11. Mid Term Evaluation

- 88. USAID Macedonia IDEAS Evaluation
