

Swiss Increasing Market Employability Programme

Newsletter

Issue N° 2

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The Swiss supported Increasing Market Employability Programme - IME works toward creating an enabling environment for three identified high-growth target sectors: Sustainable Agriculture, Adventure / Active Tourism and Information and Communication Technology (ICT).

IME's success through numbers: August 2019 - December 2020

By providing incentives for market actors in the sectors and instigating a higher-quality utilization of business support services, the following achievements have been accomplished to date:



Macedonian and French rock climbers in Demir Kapija

274 jobs created - out of which 138 women and 142 youth

44.6% average increase in sales by IME supported companies

98 companies supported to introduce new technologies, innovations, standards, or and/improve business practices

229 companies utilized business development services to improve competitiveness out of which 42 companies are women-owned

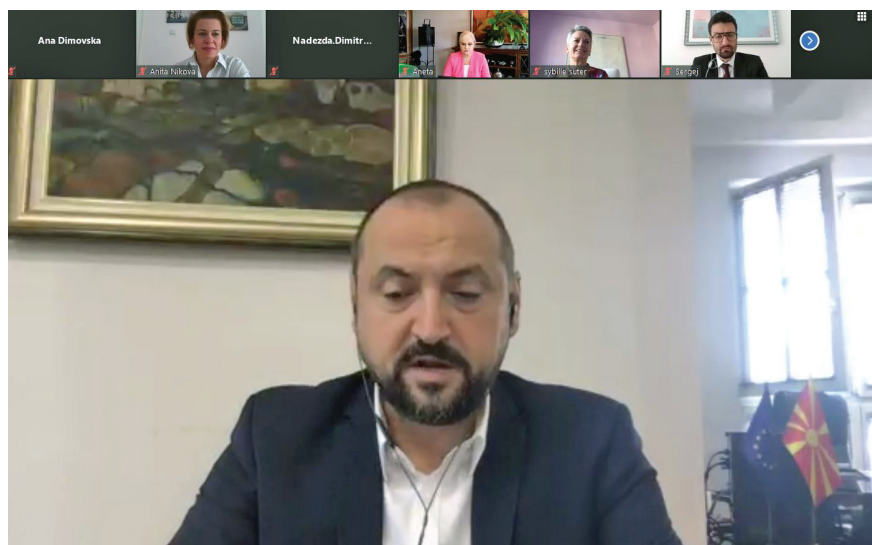
CHF 4 MIL from financial and non-financial institutions accessed by 18 companies with support of IME financial facilitators

9 companies improved standards in organic certification and food safety

10 ICT companies certified

INFORMATION AND COMMUNICATION TECHNOLOGIES (ICT)

MASIT successfully advocates tax reform favoring ICT sector



Fatmir Bytyqi, Deputy Prime Minister in charge of Economic Affairs at the ICT Reports official promotion event

IME supported the Chamber of Commerce of Information and Communication Technologies (MASIT) to prepare the first **National ICT Report** and an **ICT Export Report**. The reports provided input for governance

and policymaking of ICT-related education, workforce, new product development and export promotion. The **policy dialogue** opened by MASIT with the Government of North Macedonia paves the way for improved sector business

regulation. Changes in legislation effective January 2021 translate into significant **tax exemptions for ICT employees**, from voluntary health insurance premiums to reimbursement of employees training costs. This will incentivize ICT companies to invest more in their workforce and create better paying jobs for young people.

The already announced Government commitment to gradually abolish personal income tax altogether will serve as an incentive for IT professionals to remain in the industry and in the country thus contributing to overall industry growth.

The reports are based on quantitative and qualitative analysis of data gathered through survey of 106 companies.

Reports are free to download [HERE](#).

ICT sector strives towards excellence through certification

Demand for certification services in the ICT sector remains high with eight companies certified for ISO standards through IME's [P4P instrument](#) in the second half of 2020 only. After IME supports and standard adoption, many companies invested in implementing additional standards which improved their export competitiveness.

Bransys, a local ICT company, together with the leading certification body Intercert, successfully acquired ISO 27001 certificate. "Today, thanks to the IME's program Bransys has a world-class information security management system in place. We improved our IT structure, office security, training, risk assessment, and much more. This certification is the latest milestone in our information security roadmap to continuously demonstrate our commitment to data security to existing and new clients." – Branko Trajkovski, founder and owner of Bransys Group.

By providing support to ICT companies to acquire company-level certificates, IME is nurturing a favourable business ecosystem of better prepared service providers driven by excellence assured through certification.



Bransys Group is proud to announce that we are now ISO 9001 and ISO 27001 certified!



EZTOTRACK.COM

We are now ISO 9001 and ISO 27001 certified!

Shift from service to product offer – the intelligent move for many ICT companies

Intelgenta, a local ICT company established 2018 specializes in software development and data engineering were initially outsourcing services to clients from Germany. Their portfolio then expanded to Swiss clients and the domestic market.

However, the company is on a mission to go from outsource service provider to **IT product maker**. This transformation to product development will elevate them in the international value chain and pave the way toward a sustainable growth backed by increased revenue and income.

Intelgenta had developed a prototype version of **an innovative cloud security product** which helps other companies in continuous and secure monitoring to maintain complete oversight of their critical data and systems. IME provided the needed support for the product to be finalized. The software solution will be launched on Amazon Web Services, the world's largest cloud computing platform which will significantly broaden Intelgenta's reach to customers.

Improved products and enriched company's product portfolio combined with expanded services are key prerequisites for sustainable company growth which on long run will generate more income, better profit and opportunities for new jobs.

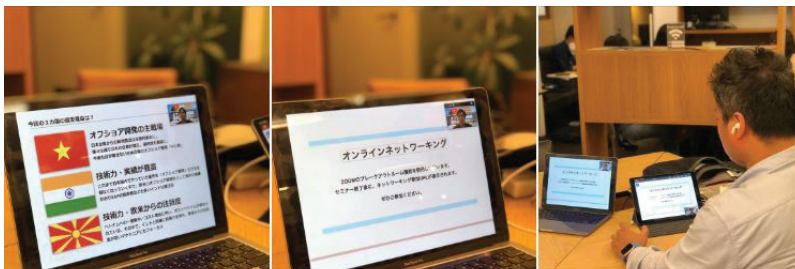


New markets, new opportunities: Macedonian companies penetrate the Japanese market

The digitalization era widened the horizons of possibilities for small countries with limited markets such as North Macedonia. This is especially evident for the ICT sphere as the market goes beyond physical territories and borders.

IME supported a Skopje-founded ICT company – Web Factory, to expand sales to a new market. Established back in 2009, Web Factory has successfully completed more than 100 projects

and worked with 60+ partners worldwide and has identified potential for providing services in the fin-tech segment in Japan. IME's assistance is helping Web Factory in **lead generation and expert support** in localization of promotion materials and channels. This helps in mitigating potential cultural differences thus easing the access and doing-business in the highly competitive Japanese market.



Web Factory

October 29, 2020 · 🌐

We're honored to be recognized as a tech bridge company between Japan 🇯🇵 and Macedonia 🇲🇰!

Yesterday, we presented our company on a big webinar in Tokyo, focused on [#offshore](#) [#softwaredevelopment](#).



Joining forces to achieve organic hazelnut export

Importers of organic nuts from the EU and Switzerland have been keen on importing Macedonian hazelnuts since 2016. At the time, the total local organic production was below the minimum quantities required for bulk export hazelnut. In response to increasing market demand, producers have started shifting to organic and simultaneously began investing in modern post harvesting facilities. IME has been providing support to organic hazelnut producers to move closer to achieving the minimum quantity and quality by supporting investments in suitable equipment, certification, and market linkages.

IME supported a local producer - Al Junajted, to get certified as per the rigorous EU organic standards and organize the first export of organic hazelnuts to Kosovo. Nelkoski Organic, a family hazelnut business from Struga, was linked with the Swiss



supermarket chain Coop and aided to invest in modern packaging equipment, resulting in export to Austria and Germany Bio Suisse standard hazelnuts are in high demand in the Swiss market, and IME supported the Association of hazelnut producers *Eko Leshnik* with 11 additional farmers gaining the know-how and introduction of Bio Suisse standard.

With this investment,

Nelkoski Organic and 11 other organic producers will satisfy strict requirements and enter a new high-earning market opening the way to more local producers.

Due to the increased market demand, production of organic hazelnuts in the country has increased 300% in the last five years only. Local producers are vying for entry into Austrian, German and Swiss markets.

Certification for organic production marks constant growth

Eight agribusiness and a total of 98 hectares of land acquired certification for organic production with IME support in the second half of 2020 only. Fruit and vegetable companies are capacitated to enter new markets and expand sales and export. Balkan Biocert, the first accredited inspection and certification body in North Macedonia, attested a 15% increase in revenue since joining IME P4P Program, in the role of business service provider for companies getting certification.

“The number of companies approaching us for organic certification is steadily growing – averaging between 280-310 applications per year. But what is more important is the structure of the companies applying for certification is changing. We have companies that are more market and export-oriented, companies aiming to introduce added value organic products. Since these are usually medium-sized players in the sector, they can attract and ‘pull the force’ for other existing and new smaller suppliers.” – shares Valentina Kolar – Jovanovska, Balkan Biocert Manager.

By adopting internationally renowned rigorous standards, these businesses are increasing the quality of the entire agri sector as well as feeding into a stronger business ecosystem.



New and innovative market-demanded products



Innovation in line with market demand is the added value that enabled several agribusinesses acquire IME co-funding support to finalize their products for the domestic and export markets:

- Aronia Zdrava Hrana launched nine new products – raw fruit bars, fruit honey and mint kombucha.
- Food Bar introduced 12 new products – vacuumed fresh potatoes and pumpkin, five types of sprouts and iceberg salad – and managed to double their annual sales by end of 2020.
- Lazar Winery presented the first domestic bottled frizzante sparkling wine.
- Hortena produced special variety of peppers with agreed export for Greenyard - second largest buyer of fresh fruits and vegetables worldwide.
- Agrar Ko finalized cheese-stuffed cherry peppers with high-end packaging based on innovative neuromarketing principles.

Promotional events as additional support in Covid-times sales



75 local and regional exhibitors presented their products and services at **Organic Gourmet Table** - international fair for organic production, organized in Kumanovo by the local Association Zivot. In addition to the sales stands opened to the public, 23 business-to-business meetings were held resulting in contracts valued at over CHF 100.000 for the organic agribusiness.



Left to right: Minister of Economy Kresnik Bekteshi, WoM President Svetozar Janevski, Swiss Ambassador Sybille Suter, and Minister of Agriculture Arjanit Hoxha at VRANEC World Day official opening

The second annual edition of **VRANEC World Day** was successfully organized by Wines of Macedonia. The hybrid format, transferring most of mater classes and presentations online, did not reduce interest, turnout, and event success. Export managers, buyers and representatives from the HoReCa sector, wine magazines and oenologists from around the globe joined to explore the local grape variety and discuss ways to maintain Vranec sales in times of COVID-19.

ADVENTURE / ACTIVE TOURISM



Resilience in tourism: learning and acting during COVID-19 pandemic



Since the beginning of the tourism industry suspension and border closure, IME-supported tour operators, agencies and local tourism service providers to remain agile and willing to adapt, understanding the importance of attracting domestic tourists.

IME backed the National Agency for Promotion and Support of Tourism (APPT) to prepare the [Doma si e doma \(No Place like Home\)](#) video campaign. With international arrivals plummeting by more than 95%, the campaign aimed to incentivize domestic tourists to spend an active and safe holiday while exploring different destinations within their home country. The videos aid local



As a result of the IME – APPT collaboration, North Macedonia has also been featured as a top active tourism destination on Lonely Planet's [Daydream During Covid](#) series – making this the first time that the country is presented with an individual video on this prestigious travel outlet.

tourism stakeholders (tour operators, adventure service providers, accommodation and transport providers, restaurants etc.) as immediate and free resource to promote their offer.



Access to new clients and markets taking a new shape

Online is the dominant channel when it comes to reaching new markets and clients in the tourism industry today. One such opportunity was the first edition of the only Balkan focused trade show - New Deal Europe which had scheduled 1,250 business meetings between buyers from 36 countries worldwide and suppliers from 11 Balkan countries.

IME supported seven Macedonian tour operators – members of the National Association for Incoming Tourism – NAITM, to participate and present their offer. "It was a very productive and efficient event. My company had 22 meetings with potential buyers, including operators such as Tui, Nordic and Jet2Holidays. We also got insight into how foreign tourists perceive North Macedonia as a potential



destination for their next travel." Aleksandar Kuzmanovski from Simonium Travel shared. Initial contacts with potential buyers have been established and Macedonian tourism businesses are expecting to close deals and welcome foreign visitors later in 2021/22.

Developing new attractive and safe products



The COVID-19 slowdown was not an obstacle for several innovative adventure tourism service providers to develop new products and show resilience by adapting their offer for domestic customers, in line with new rising trend for safe activities in socially distanced and off-the-beaten-track destinations.

- JJ Adventures introduced an attractive water sports offer to diversify active tourism in the Ohrid Lake region.
- Mountain Solution brought

the first-ever canyoning (river hiking) offer in North Macedonia, currently available exclusively in Mariovo.

- Hostel Kitka enriched its offer with mountain bikes to appeal to visitors exploring Shar Mountain, on their way to the Ljuboten peak.
- Hotel Scardus now offers e-bikes to improve year-round activities in Popova Shapka.



Local unity for better destination promotion of Demir Kapija



Led by Popova Kula winery, 13 tourism stakeholders and companies and the Municipality of Demir Kapija came together for promoting an integrated offer with rock climbing, kayaking, biking, cultural tourism, wine tasting, traditional food, and accommodation.

Local stakeholders made good use of the low-activity period

during COVID-19 to improve the tourist infrastructure and promotion materials – destination logo, printed maps, and place signage infrastructure with info boards. They have also launched a destination website - <http://visitdemirkapija.mk/> for upcoming local, regional, and international tourists.

Modern standards in adventure tourism imply safety in tourism operations which plays a key role in the competitiveness of the tourism product. **Askleprij**, the Macedonian association for protection and rescue on mountains and inaccessible terrain, continues to train a new

Safety standards as a prerequisite to adventure tourism development

generation of rescuers in topics such as rescue of ski runs and cable cars, navigation, rescue on accessible mountain terrain, first aid and transport of injured persons, and risk management. As a result, safety and satisfaction of visitors in Mavrovo and Popova Shapka during the winter season 2020/21 was guarded by an increased number of ski patrollers. In addition to providing immediate rescue and first aid interventions, Askleprij is on a broader mission to raise awareness among the ski resorts and state officials about the need to put safety measures into place.



Ski patrollers training in Ski centre Mavrovo

Gender and Youth Inclusion



Helping Macedonian (tech) companies retain the best employees



Effective human resources (HR) management can determine the success or failure of any company especially in the ICT sector, where talent demand is higher than the supply. IME supported the first generation of VITA Institute's Employer Branding Academy and assisted **seven ICT companies better attract and retain qualified workforce**, with special focus on women and youth inclusive and attractive practices.

Following the three months-long training and mentorship program, all participating companies started introducing new practices for employer branding, improved recruitment and employee retention strategies, motivation, and talent management. This will help (tech) companies to brand as desirable employers and attract attention of skilled workforce which, on a broader stage, can help alleviate brain drain from the country. VITA's Employer Branding Academy has already welcomed the second generation of participants, and an accreditation process is underway to recognize the Academy as an official training program country-wide.

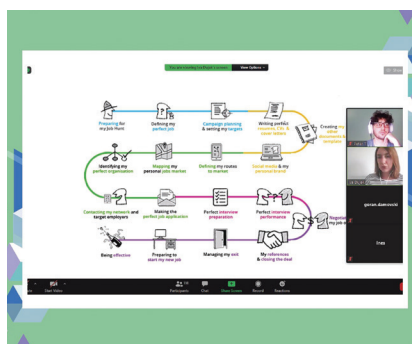
Catalyzing Innovation through student – industry hackathons

To bring digital solutions closer to the agriculture and tourism sectors, IME supported the Student Parliament FINKI (Faculty of Computer Sciences and Engineering) to organize **two hackathons - #ReFRESH Tourism & Agribusiness**. More than 30 IT, agribusiness and tourism students worked 48



Increasing students' employability through preparation for job hunt

To increase the employability among young people, IME supported the Board of European Students of Technology – BEST and **125 university students** with a specially designed job seeking training. "Job Hunt Prep" offered the youth in-depth guidance and tips on how to prepare for job search and the recruitment process, followed by individual mentorship session by an employment and marketing expert. Investment in increasing



the readiness of the students as job seekers leads to increasing their competitiveness early-on in their careers.

hours in mixed groups prototyping digital solutions based on real needs identified by the private sector.

A web platform for value chain actors' management in the tourism sector and an online marketplace for agribusinesses are the two winning ideas. Upon finalizing the products, the student teams will pitch the solutions for commercial use to tourism and agribusiness sectors companies and organizations.