

# PROJECT FACTSHEET

Western Balkans January 2017

Swiss Agency for Development and Cooperation SDC

# INCREASING PRIVATE-SECTOR GROWTH AND CREATING JOBS FOR YOUNG PEOPLE IN MACEDONIA



Biljana, co-founder of The Good Earth organic cooperative. © SDC Unemployment in Macedonia is particularly high, especially among young people and women, and a large segment of the population lives in poverty. That is why Switzerland is involved in developing business growth and improving the quality of products and services by helping SMEs in certain sectors of the economy.

In 2013, more than half of young Macedonians were affected by unemployment and the poverty rate remained high. Despite a variety of government strategies put in place, the results to date appear to be limited. Almost one-third of young Macedonian graduates succumb to brain drain, prompted by low salaries, poor career prospects and an uncertain future.

In line with the government's programme, the SDC is aiming to revitalise the local economy by working on the causes that prevent jobs being created. To this end, it supports a project that seeks to ensure sustainable business growth and, indirectly, boost employability.

#### SUPPORT FOR CERTAIN SECTORS

The SDC focuses on specific sectors in order to establish better cooperation and coordination among the different stakeholders. It helps companies access a range of skills, technologies and know-how, and sets up further training courses to make sure that the qualifications and capabilities people have match the needs of the job market. The project also includes activities to improve framework conditions for businesses and boost demand for local products and services. It ensures that SMEs in the organic farming, tourism and ICT sectors will be able to benefit from better technical support and professional practices. The project will also focus on including women and young people.

#### **ORGANIC FARMING AND ICT**

In the ICT sector, the Macedonian government is seeking to develop opportunities for local companies providing online services, such as in its administrative bodies and healthcare service. This requires skilled labour, which is why the project focuses mainly on training workers – particularly young people – in line with market needs. It also helps local businesses to enter the economy.

In the organic farming sector, the project aims to strengthen this niche market through promotional activities and providing technical support. In the capital Skopje, there has been a recent trend in favour of organic products according to local consumers.

Suzanna Dimitrievska, a farmer, threw herself into the organic venture. With help from the SDC project, she was able to find high-quality seeds to grow beans and also received good advice. Now she hopes that she can even export to Switzerland, if the beans meet the standards that are required. Suzanna also shares her experiences and know-how with other local farmers.

#### **TOURISM**

Another project goal is to attract more visitors to Macedonia by capitalising on the country's cultural heritage – improving the provision and delivery of services and fostering linkages between hotels, tourist services, municipalities and agencies. These diverse activities are concentrated in three tourist destinations – Mavrovo, Ohrid and Kruševo. Because the offers in these destinations depend on the season, local companies are supported and encouraged to put forward ideas for off-season services.

The SDC's project supplements the Macedonian government's strategy to increase jobs in the tourism sector and is expected to help the selected businesses generate an additional CHF 15 million in revenue by April 2019.



Bike tour organised during a tourism develoment conference in the Balkans. © SDC

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# FURTHER INFORMATION

The SDC's activities in Macedonia https://www.eda.admin.ch/deza/en/home/countries/macedonia.html

#### THE PROJECT IN BRIEF

#### NAME

« Increasing Market Employability »

#### **DEPARTMENT**

SDC – Cooperation with Eastern Europe

#### THEME

Economy and employment, labour market development

## COUNTRY/REGION

Macedonia

#### **PARTNERS**

Swisscontact Preda Plus (sub-contractor)

#### BACKGROUND INFORMATION

Economic growth in Macedonia is not enough to create the number of new jobs that are needed and to combat poverty in the country. However, certain sectors – organic farming, tourism and ICT sectors – have the potential to increase this growth and create jobs.

#### PROJECT OBJECTIVE

More people of working age, particularly young people, secure long-term and decent employment and earn better pay.

### **TARGET GROUP**

Jobless people, particularly young people, are the target group of the project, which aims to increase their employability.

SMEs and different stakeholders from three sectors participate in the development of a more favourable business environment, including associations, governmental agencies, companies providing business development services and financial services, NGOs and trainers.

#### PROJECT PERIOD

November 2013 - March 2019

### BUDGET

CHF 7'500'000