

Financial support for the establishment and promotion of cooperation with suppliers registered in Macedonia

General info

Economy name

North Macedonia

ID

N9

Incentive name

Financial support for the establishment and promotion of cooperation with suppliers registered in Macedonia

Brief description

Financial support of up to 10% of the value of total producurement from a domestic company registered in North Macedonia

Legal reference

Legal reference name

Law on Financial Support of Investment No. 83/2018 „Official Gazette of North Macedonia“ No. 98/2019, 124/2019 and 178/2021

Legal reference (Law section / article)

Article 17

(1) The financial support for the establishment and promotion of the business cooperation with suppliers registered in North Macedonia shall be applicable to business entities that perform a business activity in the technological industrial development zones, that are to procure and integrate products in the final product intended for export from suppliers registered in the North Macedonia that perform a production activity.

(2) The financial support referred to in paragraph (1) of this Article shall be in the amount of 10% of the value of the total procurement, provided that 15% of the total product delivered and integrated in the product of the beneficiary of financial support in the previous year is procured from suppliers registered in Macedonia.

(3) The maximum annual amount of the financial support referred to in paragraph (2) of this Article cannot exceed EUR 300 000 in MKD equivalent according to the middle exchange rate of the Central Bank of North Macedonia on the day of payment.

(4) The business cooperation referred to in paragraph (1) of this Article shall be determined based on the percentage share of the products procurement which are delivered and integrated in the product of the beneficiary of financial support from the suppliers. This shall not include the procurement from public enterprises (electricity, fuels, gas, water, utilities, telecom services, etc.), as well as the attorney, accounting or consulting services.

(5) The financial support referred to in paragraph (1) of this Article cannot be granted for a period longer than seven years as of the date of commencement of the use of the support.

Incentive design

Incentive group

Financial

Incentive category

Grant

Economy-wide/Sector-specific

Sector-specific

Sector (Simplified)

Manufacturing

Sector (NACE)

N/A

Size of firm that can use incentive

All sizes of firms

Level at which incentive is available

Economy-wide

Ownership of firm that can use incentive

Any

Incentive location

Free economic zone

Main objective of the incentive

Knowledge transfer

In case of grant, share of grant in investment (in %)

0,1

Access to information

Contact Info

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Weblink to Incentive information in English**Weblink to Incentive information in local language****Eligibility criteria**

Eligibility criteria (description)

Article 18 & 19:

- the beneficiary has achieved growth of revenues from the business activity and of the average number of employees in accordance with Article 9 of this Law and
- the beneficiary has made a procurement from a supplier registered in North Macedonia that is not capitally or otherwise related pursuant to a law to the beneficiary of financial support and that performs preliminary processes and operations over the product that is delivered and integrated in the product of the beneficiary of financial support.

The beneficiary of financial support referred to in Article 17 of this Law shall be obliged to maintain the business activity for at least three years as of the last year for which the financial support has been paid.

Eligibility criteria (weblink)

Incentive administration

Awarding Authority (Name)

Agency for Foreign Investment and Export Promotion of North Macedonia (Invest North Macedonia) and the Directorate for Technological Industrial Development Zones

Application procedure + Weblink (where available)

The application form for granting Financial Support for investment outside technological industrial development zones shall be submitted to Invest North Macedonia as a competent authority no later than May 31st of May of the current year.

The application for financial support for investments within the technological industrial development zones shall be submitted to the Directorate for Technological Industrial Zones.

In addition to the application, financial statements from the previous four years or for a shorter period depending on the date of establishment of the business entity are submitted.

<https://investnorthmacedonia.gov.mk/invest-how-to-apply/>

Implementing Authority (Name)

Directorate for the Technological Industrial Development Zones