



Austrian Development Cooperation (ADC)

Economic Development Programmes
25.03.2009

Objectives of the Austrian Development Cooperation

Global Objectives of the ADC

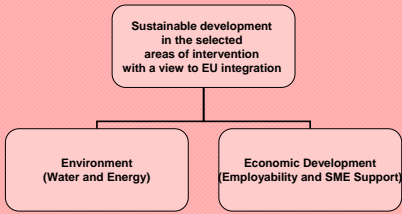


- Reducing global poverty,
- Ensuring peace and human security and
- Preserving the environment in an international framework.

Joint Objectives of the Republic of Macedonia and the ADC

- Integration of the Republic of Macedonia into the European Union
- Full implementation of the Ohrid Framework Agreement (OFA)
- Decentralisation from central to local level, and
- Coherent long-term development of the country leading to higher economic growth, job creation and poverty reduction




Areas of Interventions in Macedonia:



Economic Development (1)

Why economic development?

- it fosters employment in a short term perspective and
- improves the overall employability in a long term perspective.

Why private sector?



- It creates jobs and revenues for the population;
- passes on the know-how;
- It aims at the utilisation of potential synergies between development cooperation and the private sector and the strengthening of the private sector in Macedonia.

Economic Development (2)

Achievements in Macedonia:

- Business plan trainings
- Promotion of entrepreneurship and SME development including business development services and financial instruments
- Incentive funds for small family businesses
- Building linkages between the educational system and the labour market

Project and Programmes (1)

- **Start-up assistance to the Macedonian Investment Promotion Agency**
Partner: Ministry of Economy
Budget: ca. EUR 140.000,-
- **Eco Net - Creation of virtual companies in economic schools**
Partners: Kultur Kontakt Austria, Ministry of Education of RM
Budget: EUR 800.000,-
- **Business Start-up Centre at the University of Ss. Cyril and Methodius**
Partner: Faculty of Mechanical Engineering, Consortium of WUS Austria/ZAT/Austin and Innofinanz
Budget: EUR 420.000,-
- **Establishment of the Cleaner Production Center**
Partner: UNIDO, Faculty of Mechanical Engineering
Budget: EUR 250.000




Project and Programmes (2)

- **Private Sector Development Initiative for SEE**
Partner: Worldbank
Budget: EUR 300.000,-
- **Programme of Accounting Reform and Institutional Strengthening (REPARIS)**
Partner: Worldbank
Budget: EUR 850.000,-
- **Growing Sustainable Businesses**
Partner: UNDP
Budget: EUR 400.000,-
- **Energy Efficiency in Buildings Programme**
Partners: Ministry of Economy, Macedonian Energy Agency, Ministry of Environment and Physical Planning, Academia, private sector
Budget EUR 2.300.000,-




Project and Programmes (3)

- **Public Private Partnerships and Development Partnerships**

ADA supports Business and Development Partnerships with grants to Austrian, EU or Swiss companies:



- Project costs. up to 50% (ADA with max. 200,000 Euros, max. 3 years)
- Feasibility studies: up to 50% (max. 20,000 Euros) for finalising projects and arranging partnerships




Project and Programmes (4)

Criteria for Supporting a Partnership:

- Long-term commitment as an investor (not an exporter)
- Benefit for the local population beyond the core business
- Substantial contribution by the company and its partners
- Sustainability: the company or local partners (public institution, partner company) ensure that the commitment will be continued after the end of the project
- Project is in line with development policy goals and quality criteria
- Partners abide by national laws and international environmental and social standards
- No disadvantage to competitors







Project and Programmes (5)

Planned programme:

- **Support of the Ministry of Economy (SME Department) and of the Agency for Promotion of Entrepreneurship of the Republic of Macedonia**

Partners: APPRM, Faculty of Mechanical Engineering
Budget: ca. EUR 800.000,-

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