



TESEUS Country snapshot:

Republic of Macedonia

Provided by:

Community Development Institute

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A. EXECUTIVE SUMMARY AND MAIN FINDINGS

After completing the content of your country report, please summarize the key facts and main findings into a brief section (maximum 1 page long) that will be displayed in the beginning of the document.

The Republic of Macedonia is a country with an unemployment rate that is around 30%. This is particularly prevalent among youth, the rural population, ethnic minorities and less educated people; hence one of the main challenges for the Republic of Macedonia is to create employment. These challenges can only be addressed by new jobs creation, and increased entrepreneurial activities of the people will have significant impact.

Regarding this high unemployment rate in the country, we must also take into account the many actors in policy formulation related to entrepreneurship, innovation, increasing competitiveness and developing human capital that was formed in order to answer the challenges for the future. Entrepreneurship is acknowledged to be one of the most important topics in a modern economy; however, the same time it is also known to be one of the most complex of subjects. The Entrepreneurial Learning (EL) strategy aims to boost everyone's confidence about entrepreneurial ventures in a way that will enable them to have a full and effective part in the future development of the economy and community. Entrepreneurship is a way of thinking and, it is about identifying opportunities, assembling a team, gathering resources, being positive, being resilient, taking risk, and building for the future.

Below in other parts of this document are the main findings and main institutions and public organization responsible for IVET in Republic of Macedonia. Ministry of Economy-is Leading institution and other institutions are: Ministry of Education and Science, Ministry of culture, National network of entrepreneurship educators, SME Development Agencies (APPRM and others), Universities , Center for secondary vocational education, Business organizations and employers' organizations.

Also we take into consideration the main principles on which lays National Strategy for Entrepreneurial Learning and all strategies and documents related in some parts with entrepreneurial learning and how are they implemented in education of IVET students. Also the best practices for IVET and next entrepreneurs are elaborated in a way to enhance better knowledge of who and how is on the lead in IVET learning and how the IVET system is organized in our country.

At the end we take 3 examples on IVET learning from CEFE Macedonia, SEAVUS Education & Development Center (SEDC) and Secondary City Construction School Zdravko Cvetkovski- Skopje

B. BRIEF OVERVIEW OF IVET SYSTEM IN REPUBLIC OF MACEDONIA

Please provide a brief explanation on how the IVET system is organized in the country, which bodies are responsible for setting the policies and curricula, what institutions are establishing the IVET schools, how is the curricula for IVET schools created (incl. the share of compulsory curricula based on decision of authorities vs. curricula decided upon by schools themselves), how do IVET schools cooperate with other business sector and/or entrepreneurship ecosystem entities, etc.

The supporters of project interventions that foster education and skills relevant to the job market and enhance the innovation capacity and activity of firms in Republic of Macedonia are:

Ministry of Economy- Leading institution

Other institutions:

- Ministry of Education and Science
- Ministry of culture
- National network of entrepreneurship educators
- SME Development Agencies (APPRM and others)
- Universities
- Center for secondary vocational education
- Business organizations and employers' organizations

In Republic of Macedonia the IVET system is organized on an equal level as all educational programs. Exactly, The Vocational and educational (VET) center is established in accordance with the Government of Republic of Macedonia and the Ministry of Education, as a public institution for accordance and integration of public interests and the interests of the social partners in the vocational education and training. The Center performs specialized supervisions, evaluation, studying, promotion, research and development in the Vocational training and education, and other tasks in accordance with the Law and the Statute. Among other activities VET center is responsible for development of national framework for vocational qualifications; development of education standards (education profiles, plans and programs), supporting the social partnership in all levels and phases of planning, development and realization of vocational education, etc. High School Students Acquire More Skills in Macedonia. One of the project's components provides financial incentives to encourage joint projects between technical and vocational education and training (TVET) schools and business enterprises, with the aim of improving the work-based learning of students. Small and medium wineries in the region also have benefited from the laboratory; instead of having to utilize more expensive product testing in the country's capital, they now have the school do the testing at a lower price. So far, 10 TVET schools in the country have been provided with grants that will be used for work-based training and equipment supply. Many others have also been selected, and the implementation of those projects will start during the coming school year. The Skills Development and Innovation Support Project were approved in January 2014 in the amount of US\$24 million. Overall, the project aims to improve the transparency of resource allocation and promote accountability in higher education, enhance the relevance of secondary TVE, and support innovation capacity in Macedonia.

Cooperation between IVET schools and business sector is based on the Macedonian entrepreneurial learning strategy especially on the key EU recommendations for developing of entrepreneurial spirit

amongst the whole population. Republic of Macedonia also, is one of the countries that signed SEE2020 strategy where entrepreneurial learning is stated as one of the key competence¹⁴.

The main principles of this strategic document are therefore based on extensive research, underpinned by authoritative literature related to EL. These are:

- Building strong awareness between the all citizens in the country, regardless their age, religion or nationality that entrepreneurship can be learned and entrepreneurs can be made. It is important to build greater awareness on all levels, so that everyone will be able to include lifelong education related to entrepreneurial learning - not only related to formal, but also informal and non-formal education. On the other side, current entrepreneurs and potential entrepreneurs regardless their age will need to be aware that they can achieve their entrepreneurial success and they will have available knowledge to achieve that success. Policy makers and educational workers also need to be aware about the importance of entrepreneurial learning in creating welfare for the benefit of society in general.
- Support the creation of innovative society with highly creative and knowledgeable people. Innovation is a process highly related to entrepreneurship as Peter Drucker said “innovation is the specific instrument of entrepreneurship... the act that endows resources with a new capacity to create wealth”. Development of a highly innovative society is another issue that this strategic documents aim to address.
- Practically oriented programs to ease the entrepreneurial learning in formal education because learning about entrepreneurship and innovation in formal education is more complex than other subjects. The process of entrepreneurial learning requires the implementation of significant changes to many established / traditional education techniques and methods. The programs related to entrepreneurial learning will need to be more practically oriented with more participative methods, based on real working life and methods modeling or imitating real entrepreneurial experiences as closely as possible.
- Successful implementation of this strategy will ensure environment for cooperation between the main stakeholders. Networking and sharing different experiences or best practices are one of the best possible ways to implement the process of continuous improvement of entrepreneurial learning. “What will be important or relevant for entrepreneurial learning today will be obsolete tomorrow”.
- Implementation of the best entrepreneurial learning practices require development of appropriate/aligned monitoring, measurement and feedback tools in order to ensure that measurement of the results are covered through relevant activities related to entrepreneurial learning. Monitoring systems will need to answer questions such as how many small business were started; how many of them survive their first years of operating; how many new employment opportunities are created and so on. In addition to measuring these quantifiable “hard” results, it is also important to capture and map “soft” skills development. Carefully designed and appropriate systems of evaluation are required that will enable staged/ developmental alignment of the entire learning process, so that incremental learning can be captured and evaluated.
- Entrepreneurial teachers are the key for the effective entrepreneurial learning strategy. The focus will need to be on improving competencies, ensuring the development of sustainable networks of teacher trainers who will be responsible for developing and sharing new teaching techniques related to entrepreneurial learning, and enabling continuous entrepreneurial learning. The entrepreneurial learning strategy will ensure systematic support from all stakeholders in a collaborative environment,

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which will include high level of awareness from all stakeholders (kids, parents, teachers, local community...). On the other side, through this strategic document and related action plan there will be clearer picture about required finances and financial resources that will be required in the next period of time implementing the strategy. Better teacher education and lifelong training with appropriate more flexible curriculum will additionally improve the overall entrepreneurial learning ecosystem in the Republic of Macedonia.

C. BRIEF OVERVIEW OF EXISTING DATA AND ANALYSES FOR REPUBLIC OF MACEDONIA

Brief overview of existing data and analyses: Please provide overview of existing (if any) analyses, reports or data relevant for the context of start-up promotion and firm creation support for IVET students in your country and/or its regions. These may be found in policy, third sector, industry or IVET and entrepreneurship education resources.

Educational system in Republic of Macedonia has two types of certificates for Vocational Education- Diploma for Vocational Technical School and diploma for Vocational School. Studies are 4 years and are totally covered by Ministry of Education. There are 132 high schools (secondary education schools), from which 73 are VET Schools. In this school year (2018- 2019) there are 71 650 students in all secondary schools and 53 756 are in IVET educational process. This is approximate figure for all years in the past.

From year to year data show that in Macedonia, besides the best developers, the number of startups grows. How many startups actually have in Macedonia, how long they last, to which markets they are oriented, are some of the issues that are mainly considered in the instrument developed from the Macedonian Fund for Innovation and Technological Development. The instrument is intended for financing newly established, micro, small and medium-sized enterprises (not older than 6 years) - start-ups and spin-offs, in dominant ownership of Macedonian citizens (50.1% or more) who have an innovative idea at the stage of a "confirmed concept" with a solid expectation of commercialization.

The instrument aims to foster the level of innovation by providing the necessary financial support for research and development activities on start-up and "spin-off" enterprises. In addition, this instrument is expected to encourage a culture of risk taking and innovation, and provide support for businesses that want to develop a new or improved product, process or service. Through this instrument, the Fund provides funding of up to 85% of the total budget for the project, up to a maximum of 30,000 euros. The remaining amount of the total budget of the project should be provided by the applicant.

It is estimated that there are around 150 startups in Macedonia. As much as 22 % was created in the past year, while 50% is older than two years.

As far as the employees are concerned, startups with a total of 1,700. Three percent of the total number of startups employs 30% of those 1,700. However, the survey says that 72% of startups employ up to ten people.

If you look at what startups are most concerned about, it's obvious that they are most focused on enterprise solutions, gaming, AI, Big Data and analytics, and smart cities.

When it comes to performance indicators and the degree of development, i.e. the maturity of the startup test results show that more than three quarters of them have already launched their product, with 63% generating revenue. As their customers, 57% of cases are seen by businesses, and only then come end users (41%) and government and non-governmental organizations (2%).

In the Republic of Macedonia there are many strategies and documents related in some parts with entrepreneurial learning and EL Strategy. In the interests of clarity, only the most pertinent will be noted:

■ Government's Working Program for the period 2008- 2015. Government of Republic of Republic of Macedonia made a decision to continue with the same program. (the same program is still active). Two of the five strategic objectives of this working program are increased economic growth

and employment, as a precondition for increased citizens' standard of living and improved quality of life as a first strategic objective and investment in education, science and information technology as elements of a knowledge-based society as a fifth strategic objective. The entrepreneurial learning strategy will also support future implementation of these strategic objectives.

- Multi-Annual Operational Program for Human Resources Development 2007-2013 (programming documents and its two revisions). One of the strategic priorities of this document is education and training – investing in human capital through better education and skills. EL strategy will have direct contribution through modernization of the educational and training system of the Republic of Macedonia and promoting lifelong entrepreneurial learning.

- National Strategy for Sustainable Development of the Republic of Macedonia. One of the strategic thrusts in this strategy is streamlining private sector and building awareness for sustainable development in the Republic Macedonia. EL strategy can additionally improve the implementation of these strategic objectives.

- Action Plan for Youth Employment 2015 also contain reform in education and training system addressing lifelong learning and employability needs of the young people who are outside the formal education system. On the other side, this plan also has another one priority objective to promote youth employment through private sector development. Entrepreneurial learning strategy will become supporting force for the implementation of this plan.

- National Strategy for Alleviation of Poverty and Social Inclusion 2010-2020. This strategy as a main strategic objective has to reduce poverty and social exclusion in the Republic of Macedonia through a better use of disposable human and material resources, improve conditions for living, working and social conditions for all citizens, system and institutional co-activity in the function of accelerated development, higher standard and better quality life. There are 14 key areas in the strategy where employment as the first one, informal economy and strengthening entrepreneurship is a second and labor market is a third key area. Entrepreneurial learning strategy will have an active role in supporting of all these three key areas.

- National Strategy for Development of Education 2005 – 2015. The entrepreneurial learning strategy can help in promotion of the culture of living as one key area for intervention in the National strategy for development of education in the Republic of Macedonia especially in linking formal and informal education, promotion of lifelong learning and adult education.

D. STATE OF EXISTING START-UP PROMOTION AND FIRM CREATION SUPPORT FOR IVET STUDENTS IN REPUBLIC OF MACEDONIA

State of existing start-up promotion and firm creation support for IVET students: Please provide an overview of situation in your country. Please consider country-level as well as regional-level perspective, and do not hesitate to enrich your overview with individual-level examples

A main document for entrepreneurship training related to IVET education is the Strategy for Vocational Education and Training of Republic of Macedonia and Action Plan 2013 – 2020. The main goals covered in the VET strategy are:

1. To enhance the attractiveness, relevance and quality of VET and enable it to play a key role in the improvement of professional performance, competitiveness and innovation.
2. To offer more diversified and flexible learning opportunities to young people and adults to acquire the skills that are necessary for their career development and that stimulate entrepreneurial spirit, whilst fostering participation in further education and training and contributing to active citizenship and personal fulfilment
3. To promote excellence and social inclusion, contribute to greater employability, mobility and job security enhance anticipation and management of labor market changes and encourage business competitiveness.

These main goals from the National Strategy are provided by the VET CENTER and Ministry of Education and they are part of the annual school year program. The Republic of Macedonia has established a detailed and strategically focused framework of economic and industrial development policy that shapes public policies and SME development programs:

1. Economic Reform Program (2017-2019) consists of medium-term Macroeconomic and fiscal framework.
2. An economic growth plan - covers enterprise support.
3. Industrial policy (2009-2020) determines the vision of the industrial sector that is oriented towards "products and services with higher added value based on knowledge, innovation and mutual cooperation".
4. The Entrepreneurial Learning Strategy (2013-2020) aims to improve it the competitiveness of SMEs - especially those run by young people and women – for successful bid on the EU markets.

Entrepreneurship is as training part of curricula at VET schools and all the programs mentioned above are included in it. Upon completion of each type of vocational education and training, a professional examination is taken, specialization, final exam, state graduation, specialist exam and master's degree exam.

At Vet schools there are subjects in the annual program that are based on Entrepreneurship, especially in schools that are specialized for economics and management. In this schools there are

As a support mechanisms and initiatives aimed at firm creation, provided to IVET students, Ministry of Education is in close collaboration with Employment Agency of Republic of Macedonia and the needs of the labor market; With the Central Register of the state, an organization that provides registration and firm creations this collaboration is going deeply further to ease this procedure for

unemployed and to make it on the most basic level, all in accordance to decrease the unemployment rate. The final result is new companies and new entrepreneurs.

For IVET students interested in entrepreneurship according to the National Strategy for Entrepreneurship, the Government Vet Center is the lead in mentoring and/or coaching of students by providing different type of educational courses and professional help in providing information about the process how to become an entrepreneur. The Center for Vocational Education and Training was established by the Decision of the Government of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 87/06) as a public institution in which the public interests and interests of the social partners in the vocational education should be harmonized and integrated and training in the Republic and which coordinates the cooperation with the international institutions and organizations in the field of vocational education and training (Article 31 of the Law on Vocational Education and Training "Official Gazette of the Republic of Macedonia" No. 71/06 and 117/08). Pursuant to Article 32 of the said Law, the Center performs expert activities in the field of monitoring, evaluating the study, promotion, research and development of vocational education and training, as well as other activities in accordance with the Law, the Founding Act and the Statute. The Ministry of Education and Science agrees with the Annual Work Program and the Statute of the Center. The funds for the realization of the activity of the Center are provided from the Budget of the Republic of Macedonia and from own revenues from the performed services (Article 38 of the Law on Vocational Education and Training).

There are initiatives aimed at developing entrepreneurial culture, atmosphere and spirit for IVET students organized by the schools, university fairs as a program to attract more students, various workshops and events, all in purpose to bring entrepreneurship closer to the students.

Republic of Macedonia as an acting member of South-East European Centre for Entrepreneurial Learning (SEECEL) is sharing the SEECEL mission in the alignment of policies and practice in lifelong entrepreneurial learning with those of the European Union. This strategy will utilize already developed SEECEL outcomes in four main strategic pillars:

- Development of the entrepreneurship key competence (ISCED 2 level);
- Promotion of entrepreneurship at the third level education (ISCED 5/6 level) within nonbusiness disciplines;
- Enterprise-driven training needs analysis;
- Dissemination and promotion of good policy and good practice

Entrepreneurship is considered and promoted as a career choice in career guidance counselling at IVET schools. By organizing different lectures and business possibilities the next entrepreneurs are getting familiar with their possible future carrier. They offer more diversified and flexible learning opportunities to young people and adults to acquire the skills that are necessary for their career development and that stimulate entrepreneurial spirit.

As an official public initiative that provide information on available support programs or on business start-up procedures for IVET students, is Operational Program by the Employment Agency of Republic of Macedonia. For now, this is the only public institution that provides such information.

On November 2nd, 2013, the SEEU Tech Park officially opened the first Business Incubator in the region of Northwestern Macedonia. It is an institution designed to help all entrepreneurs in starting-up and developing their own business. Every student, young entrepreneur or part of a team with a

unique, innovative and realistic business-idea in the ICT (Information and Communication Technology) sector has the opportunity to develop it in partnership with the Incubator. The Incubator itself can offer significant contribution in helping new entrepreneurs, providing them: modern & fully equipped office spaces, access to angel investors, business planning, marketing and promotion, networking, consulting & training's, links to foreign partners and many more tailor-made services designed specifically for their type of business. And so far, it is the leading Business Incubator.

The EU Action Plan for Entrepreneurship 2020 is a plan for decisive joint action to exploit the entrepreneurial potential of Europe, removing existing obstacles and revolutionizing the culture of Entrepreneurship in Europe. It aims to facilitate the opening of new enterprises and create more favorable environment for the advancement and growth of existing entrepreneurs. The Action Plan supports education and training for entrepreneurship in support of growth and opening of new enterprises, strengthening the framework conditions for entrepreneurs by removing existing structural barriers and their support in the crucial phases of the business cycle, such as and to spark the culture of entrepreneurship in Europe: supporting the new generation entrepreneurs.

E. SHORT DESCRIPTION OF SPECIFIC EXAMPLES FROM REPUBLIC OF MACEDONIA

Short description of specific examples of existing start-up promotion and firm creation support practices (for example, you can look among categories of practices named above). Be very brief here, as the selected ones will be described in more detail as case studies.

The spark for the formation of the association **CEFE Macedonia** appeared in the distant 1997, after training for trainers who will use the CEFE methodology in spreading the entrepreneurial culture, organized by CEFE International and the German Office for International Cooperation – GIZ. Since then, CEFE coaches have been working to raise awareness of Entrepreneurship in Macedonia and Southeast Europe. The mission of CEFE Macedonia is to improve entrepreneurship performance of economic actors by stimulating entrepreneurial behavior and development of business competencies. They believe and work towards building an entrepreneurial society and they teach people to be innovators and entrepreneurs, with a vision of an established entrepreneurial culture and increased employment among the population.

Seavus Education & Development Center (SEDC) is a private company established in September 2010 as part of the Seavus Group and a specialized training center for education of staff in the fields of programming, design, computer networks and software testing. Its rich portfolio of educational programs includes organization of annual academies intended for children, young people and adults, specialized trainings for employees and short trainings for individuals. Its educational program provides proof that "SEDC" follows the world's trends by responding to the growing demand for professionals in the IT and the design industry. Since 2018, "SEDC" is the largest Academy for technology and design in Macedonia earning the trust of over 250 students, annually. In 2019, within the educational center, one of the three Accelerators supported by the Innovation and Development Fund which aims to stimulate the entrepreneurship in Macedonia, through support and investment in new startup businesses, is also opened.

SCCS "Zdravko Cvetkovski" was founded in 1945, as the first Macedonian high school in the Republic of Macedonia. Macedonia. Over the years, followed transformations, the formation of new sections, their separation in special schools, and finally in the school year 1962/63, it started to function as a construction and technical school. It is one of the few schools in the Republic of Macedonia where learning is conducted in Macedonian and Albanian language. In addition to these levels of education, the school also organizes instruction for retraining and specialization of certain curricula in the field of civil engineering and architecture.

LIST OF REFERENCES

Ministry of Education – www.mon.gov.mk ; Nacional Strategy for IVET Education- www.economy.gov.mk ; National Entrepreneur Strategy – www.na.org.mk; Nacional Strategy for Small and Medium Enterprises- www.economy.gov.mk; Employment Agency of Republic of Macedonia - www.avrm.gov.mk; Center for Education and Training – www.tcet.com; Vocational Education Law - Official Newspaper- www.sluzbenvesnik.mk; Scientific works at the University of St. Cyril and Methodology - Skopje - Faculty of Economics

INTERESTING LINKS AND FURTHER READING

WWW.ACADEMIA.EDU, WWW.CSO.EDU.MK, [HTTP://WWW.FITR.MK/](http://WWW.FITR.MK/)

WWW.EUROEDUCATION.NET, WWW.MRK.MK

