

EBRD and EU extend support for SMEs to the Republic of North Macedonia

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- **Dedicated credit line, incentive grants and technical assistance for SMEs**
- **Funds will help SMEs invest in production capacities and product quality**
- **SMEs to increase competitiveness on regional and EU ([//www.ebrd.com/who-we-are/structure-and-management/shareholders/european-union.html](http://www.ebrd.com/who-we-are/structure-and-management/shareholders/european-union.html))markets**

Small businesses in the Republic of North Macedonia ([//www.ebrd.com/fyr-macedonia-data.html%20](http://www.ebrd.com/fyr-macedonia-data.html%20)) will be able to improve their competitiveness thanks to the roll-out of a dedicated EBRD-EU programme to the country. The new initiative combines credit lines, investment incentives and technical assistance.

In the Republic of North Macedonia the EBRD is providing a €30 million loan to the local banks for on-lending to commercial borrowers. Sparkasse Banka, Ohridska Banka SG and Komercijalna Banka have so far joined the program. The funds will be accompanied by a package of technical assistance and incentive

grants totalling to €4.5 million from the EU national Instrument for pre-Accession Assistance (IPA).

SMEs can use the funds to improve their production capacities and enhance processes and product quality with introduction of EU standards in environmental protection, product safety and quality and similar.

Small businesses are backbone of the national economy and provide for about 80 per cent of employment. Despite their economic importance, small businesses continue to face severe obstacles to their development with often difficult access to finance and know-how.

Anca Ioana Ionescu, EBRD Head in the country, said: “We are pleased that the SME Competitiveness Support programme is now also available to SMEs in North Macedonia. Better access to finance and advisory services will enable businesses to improve their performance and competitiveness.”

Janmaat Freek, Head of Operations, EU Delegation, North Macedonia stated: “Diversifying access to finance by combination of traditional bank lending, incentives and transfer of "know-how" in smaller companies is needed to unlock the full entrepreneurial potential in the country. The end result will be more competitive SMEs with fuller employment and greater opportunities for the business growth.”

Koco Angjusev, Deputy Prime Minister of the Republic of Macedonia, responsible for economic affairs and coordination with the economic sectors, PhD stated: “Through this project the access to financial assets for SMEs is significantly improved, providing new resources for the development and the investments of the companies. SMEs will have at their disposal funds of €30 million, out of which €4.5 million are grants. This financial boost is attractive and modelled to the needs of the SMEs, which can get up to 15% grant from the requested loan. This is the additional direct aid and a benefit of the EU and NATO integrations. “

To date, the EBRD has invested more than €1.87 billion in 117 projects in the Republic of North Macedonia, focusing on supporting the country's integration into regional and global markets through the EBRD's investments and other activities, especially in intensified cooperation with key partners such as the European Union and the European Investment Bank.

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