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# ARTICLES NORTH MACEDONIA



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## 3. Republic of North Macedonia: Action Plan for Recovery of Growth and Jobs



AUTOMOTIVE, TEXTILE, AND FOOD PROCESSING FIRMS MUST COPE WITH LOW LEVELS OF THE MANAGERIAL AND INNOVATION SKILLS NECESSARY TO ADD VALUE; THIS IS EMERGING AS A MAJOR AREA OF COMPETITIVE WEAKNESS FOR NORTH MACEDONIA'S EXPORTERS, WHETHER SMALL OR LARGE. A PILOT SDP SHOWED THAT FIRMS IN THE AUTOMOTIVE VALUE CHAIN DO NOT YET UNDERSTAND THE GLOBAL MARKET AND WHAT FOREIGN INVESTORS REQUIRE. FURTHER, RESOURCES ARE UNDERUTILIZED, AND THERE IS A NEED TO OPTIMIZE PRODUCTION BASED ON LEAN MANUFACTURING PRINCIPLES AND CONTINUOUS IMPROVEMENT. INVESTMENT IN TRAINING FOR MANAGERS AS WELL AS TECHNICAL, QUALITY, ENGINEERING, AND SALES PERSONNEL IS ESSENTIAL FOR SUSTAINED LONG-TERM DEVELOPMENT, HIGHER PRODUCTIVITY, AND LINKS WITH FOREIGN INVESTORS. IN CONTRAST, AND AGAINST THE PREVALENT TRENDS, IN THE TEXTILE INDUSTRY SKILLS AND WORKMANSHIP ARE OF HIGH QUALITY, WHICH IMPLIES POTENTIAL TO UPGRADE TO MORE COMPLEX AND SOPHISTICATED PRODUCTS.

JUST OVER 40 PERCENT OF JOB-SEEKERS USE THE PUBLIC EMPLOYMENT OFFICE, A SIZEABLE SHARE, BUT STILL FAR BEHIND NETWORKING, WHICH IS USED BY 80 PERCENT. USAGE OF THE EMPLOYMENT SERVICE AGENCY (ESA) IS ESPECIALLY LOW

CONSIDERING THAT BY LAW ALL JOB OPENINGS MUST BE ADVERTISED TO THE AGENCY. MOREOVER, ONLY THOSE WITH TERTIARY EDUCATION ARE HEAVY USERS OF ESA SERVICES. ABOUT 60 PERCENT OF THE UNEMPLOYED WITH TERTIARY EDUCATION REGISTERED WITH THE ESA, COMPARED TO ONLY ABOUT 20 PERCENT OF THOSE WITH SECONDARY EDUCATION, AND FAR FEWER OF THOSE WITH PRIMARY EDUCATION



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Finding-Solutions-to-Youth-Unemployment-in-North-Macedonia.pdf](https://documents1.worldbank.org/curated/ar/867231589230179351/pdf/Finding-Solutions-to-Youth-Unemployment-in-North-Macedonia.pdf)