

Third Child and Youth Finance International Regional Meeting for Europe and Central Asia

Dear Governor of the National Bank of the Republic of Macedonia, Mr. Bogov

Dear Vice Prime Minister of the Government of the Republic of Macedonia and
Minister of Finance, Mr. Stavreski

Dear Executive Vice Chairman of the Board of Capital Market of Turkey, Mr. Quinine,

Dear Managing Director of the Child and Youth Finance International, Mr. Billimoria,
Ladies and Gentlemen,

First, allow me to thank you for the invitation and the opportunity to attend this important Third Child and Youth Finance International Regional Meeting for Europe and Central Asia. Such events are important as they provide an opportunity for exchanging experiences on important concerns and issues related to employment of young people, alternative economic education, exchanging experiences on national strategies for financial inclusion and education of young people and their direct employment, as well as perceiving new challenges and opportunities to overcome this cross-border issue, which if not solved, could have long-lasting adverse effects on the economies of every country including countries from Europe, Central Asia and beyond. I, therefore, fully support the initiative for active participation of young people in regional meetings of this kind and in the process of reaching conclusions, and for increasing the role of private sector for setting such priority trends for the region.

Ladies and Gentlemen,

In recent years, increasing attention has been paid to youth employment in the Republic of Macedonia. The relatively high youth unemployment rate in the Republic of Macedonia, which, according to the recent data for 2014 equals 45.7%, requires greater government investments both in terms of education and in terms of training, subsidized employment, tax cuts and increased welfare costs.

The Government of the Republic of Macedonia believes that the resolution of this problem, not only here, but in other countries as well, requires a coordinated

and harmonized action in a number of policies, such as economic and fiscal policies, educational policies, corporate development policy and labor market.

The Government of the Republic of Macedonia has detected the issue of youth unemployment. Therefore, the National Employment Strategy of the Republic of Macedonia for 2015 defines a priority target which is to be completed by 2015 - youth employment rate of 29%, i.e. reduction of the current multiplied index rate.

Therefore, in the period ahead, the Ministry of Labor and Social Policy intends to hold numerous forums with young people to explain better the Government's employment policies, and to encourage increasing participation and involvement of young unemployed people in the labor market. At this point, I welcome the efforts for direct involvement of young people and their observations and recommendations for youth employment in the policy-making process.

In the Republic of Macedonia, there are several employment projects, most of which are operational. Some of these projects include onsite training at a known employer, self-employment program, education for starting up a business, support for active job search and vocational guidance, employment subsidies for young people up to 29 years old, employment of a single parent, orphans and other people from various target groups. The Ministry of Labor and Social Policy's priority, which includes new jobs, promotion of new curricula, and open door of business and economic factors to active jobseekers, remains our centerpiece. Opening up new employment opportunities, new skills and economic and market-oriented vocations and improving the existing ones, create a reliable platform for recruitment of all target groups.

The Ministry of Labor and Social Policy has successfully implemented this process by developing employment strategies, programs for subsidized employment, self-employment, and regulatory strategic frameworks for successful transformation of the economy, under the National Employment Program.

Moreover, the Self-Employment Program is a successful project aimed to reduce unemployment and create new jobs by encouraging entrepreneurship and start-up of own business. The Self-Employment Project includes lending to young people up to 29 years old and facilitates starting up own business by using favorable loans of up to 23,000 euros per company, or 7,000 euros for each new job, for up to 5 jobs, at a symbolic interest rate of 1% p.a. and 1-year grace period, and 7-year

repayment period. In the forthcoming period, the Ministry of Labor and Social Policy intends to develop an Action Plan on Youth Employment, which will include measures for direct employment or for improving the employability of young people up to 29 years old. This document presents a number of measures that will enable direct employment or improve the employability of young people through various types of training. Besides, we increased the efficiency of labor relations regulation, improved the education system and improved the human resources in line with the needs in the labor market, coupled with the active employment measures and policies.

I already mentioned that in the future, the Ministry of Labor and Social Policy intends to hold forums with young people to better communicate the Government's employment policies, as well as with employers to better explain the opportunities ahead of them. This is to achieve greater participation and involvement of young unemployed people in the labor market in the Republic of Macedonia. The planned formalization of businesses with grant of 3,000 euros for each newly registered own business, as well as the support for self-employment, so-called From Idea to Business, will significantly reduce the youth unemployment rate in the Republic of Macedonia, and bring us closer to the planned optimal youth employment rate in our country.

Ladies and Gentlemen,

Young people have always been and will be our priority and that is why we will continue to take the current and to introduce new specific measures to create as many jobs. At the end, allow me to encourage all of you to present and apply your best practices and experiences that will help us create effective policies for employment of young people in the region as well as in Europe and Central Asia.

Thank you!