

# Self-Employment success stories

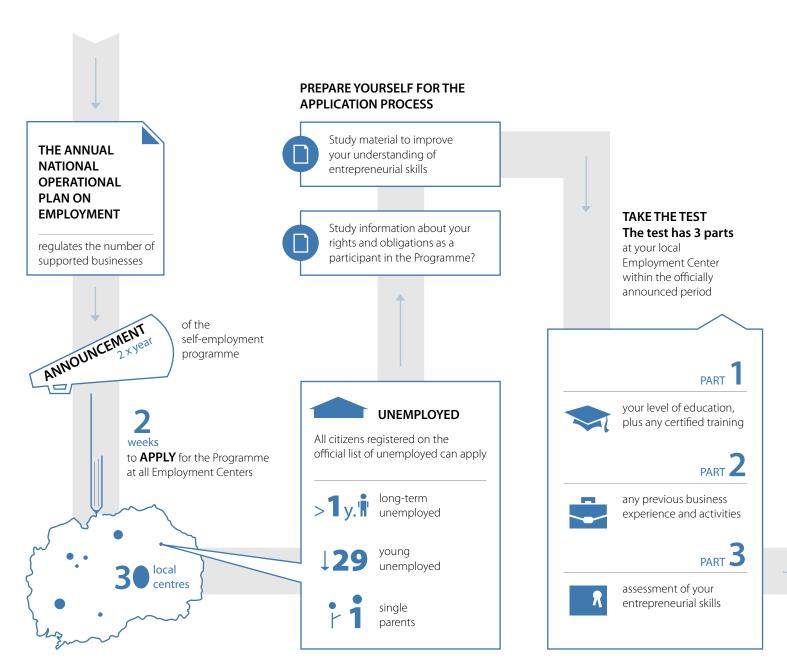


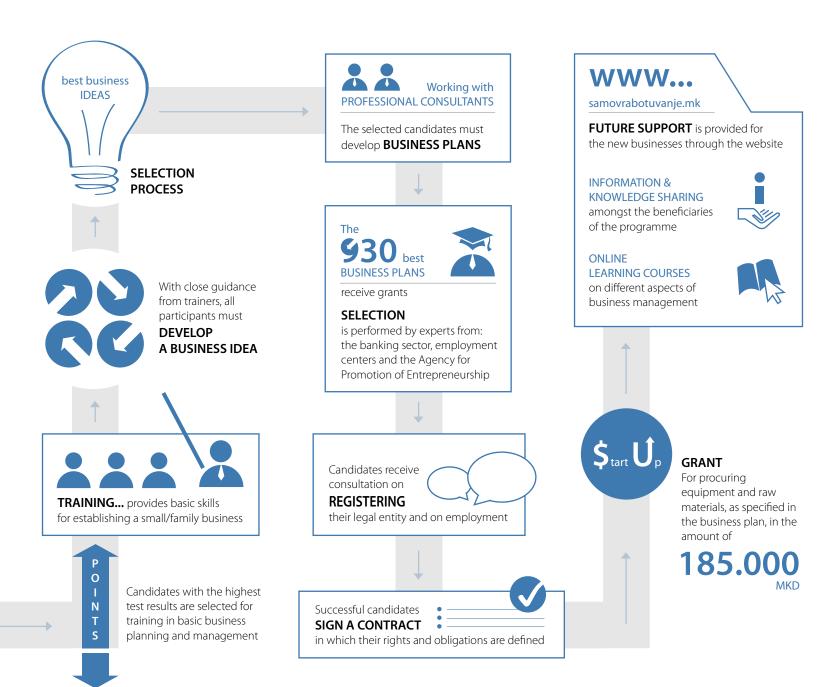
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## Self-Employment Programme

HOW DOES IT WORK?





#### A MAP OF BENEFICIARIES



#### 2007-2012

Municipality	Male	Female	Municipality	Male	Female
01 Grad Skopje	7	5	44 Kicevo	76	52
02 Kisela Voda	40	38	45 Konce	20	5
03 Aerodrom	46	28	46 Kocani	77	30
04 Gazi Baba	33	32	47 Kratovo	57	25
05 Centar	29	25	48 Kriva Palanka	196	156
06 Karpos	25	24	49 Krivogastani	11	5
07 Gjorce Petrov	20	26	50 Krusevo	50	20
08 Butel	23	18	51 Kumanovo	245	126
09 Saraj	12	0	52 Lipkovo	25	3
10 Suto Orizari	7	3	53 Lozovo	3	0
11 Aracinovo	2	0	54 Mavrovo i Ros.	4	2
12 Berovo	78	35	55 M. Kamenica	13	6
13 Bitola	171	103	56 M. Brod	41	23
14 Bogdanci	4	4	57 Mogila	15	8
15 Bogovinje	9	0	58 Negotino	66	31
16 Bosilovo	15	5	59 Novaci	5	0
17 Brvenica	11	7	60 Novo Selo	12	3
18 Valandovo	24	16	61 Oslomej	4	1
19 Vasilevo	8	4	62 Ohrid	95	51
20 Vevcani	13	3	63 Petrovec	0	3
21 Veles	63	42	64 Pehcevo	31	18
22 Vinica	30	13	65 Plasnica	6	1
23 Vranestica	2	0	66 Prilep	229	95
24 Vrapciste	12	3	67 Probistip	72	66
25 Gevgelija	24	19	68 Radovis	59	29
26 Gostivar	130	64	69 Rankovce	7	14
27 Gradsko	3	0	70 Resen	21	21
28 Debar	69	25	71 Rosoman	3	0
29 Debarca	2	1	72 Sveti Nikole	66	30
30 Delcevo	41	23	73 Sopiste	2	2
31 Demir Kapija	10	4	74 S. Nagoricane	9	3
32 Demir Hisar	56	45	75 Struga	121	21
33 Dojran	3	1	76 Strumica	86	46
34 Dolneni	12	1	77 Studenicani	6	0
35 Drugovo	8	2	78 Tearce	23	7
36 Zelino	4	2	79 Tetovo	138	43
37 Zajas	1	1	80 Cntar Zupa	1	0
38 Zelenikovo	1	0	81 Cair	28	18
39 Zrnovci	8	0	82 Caska	1	0
40 Ilinden	7	4	83 Cesinovo Obl.	20	6
41 Jegunovce	7	2	84 Cucer Sandevo	5	2
42 Kavadarci	81	61	85 Stip	105	48
43 Karbinci	2	1	00 3 dp	.03	



Designing a way to the top

Jelena Kostovska was only ten years old when she set her heart on becoming a clothes designer.

"I knew what I wanted to be from an early age so I went to a textile vocational school," she says, "and after that I worked with two of the country's top designers before starting to sell my clothes in boutique shops."

Now thirty-eight with two children, Jelena is close to realizing her dream of opening a fashion house that can compete with the country's leading clothes designers.

Jelena opened her first boutique seven years ago. "Running a business proved pretty tough back then because I had no knowledge of the financial side," she explains, "I took on a lot more than I expected."

Jelena didn't give up but carried on winning more and more loyal clients by designing clothes carefully suited to their tastes. The limited capacity of her business was a major stumbling-block, however, and her hopes of expanding the business were beginning to fade.

Then last year she saw a TV advertisement for the self-employment programme and it sounded just what she needed—a two-day workshop to help with business planning and administration plus a

grant to help buy the equipment she needed to expand. "I asked around and it turned out some friends of mine had already taken part in the scheme and were really impressed. So I applied and I was selected for the course."

The Government's nationwide self-employment training scheme is open to anyone who is currently unemployed and can present a viable idea to set up their own company. All applications for the course are evaluated by an Experts Committee. "The selection process is crucial because each business plan we accept at this stage must have a realistic chance of success," says Marjan Stojcev, a member of the Committee, "and that involves multiple factors and criteria. As businesspeople we naturally want to encourage entrepreneurialism and our greatest satisfaction comes from seeing a plan translate into a successful business. But we must evaluate the risks and the achievability of the plans objectively. So I would advise candidates to be as realistic as possible in their applications but not to be too discouraged if their first attempt fails—there's always another programme and another chance to revise your initial idea."

Successful applicants attend a two-day workshop of intensive training organized by the Government and UNDP to help them develop their business idea.

"I knew what I wanted to be from an early age so I went to a textile vocational school and after that I worked with two of the country's top designers before starting to sell my clothes in boutique shops."



"The workshop was a real confidence-booster," says Jelena, "especially the input on planning and financial management. The trainers made the whole thing less intimidating. I think anyone who has a good idea, the determination to see it through and the willingness to complete this project will be able to realize their ideas and achieve success in a short period of time."

At the end of the workshop, the training team carefully assess each candidate's business plan to identify those with the potential to grow into successful companies. "At the point when we're deciding which plans should be taken to the next stage of support we have to take a lot of factors into consideration," explains Risto Ivanov, a leader of the expert training team, "And these range from the anticipated profitability of each venture

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"The feeling is great when I see a company established with the support of this programme growing and prospering," says Menka Gugulevska, Advisor in the Skopje Employment Center. "Even at the initial stage of the project some candidates show great promise not only to succeed alone but to develop their companies into larger firms and become successful employers of others."

to the business aptitude and work experience of the individual candidates. As we all know, it takes a lot of ingredients for a business to succeed."

Those candidates whose ideas are approved at the end of the workshop are then supported in the process of further elaborating their business plans. An important part of this support takes the form of financial help to cover the expenses of setting up new businesses. Each candidate who succeeds in reaching this stage is eligible to submit their elaborated business plan with a structured proposal for financial support of up to 3,000 euros from the Government.

Jelena was one of those whose plans were accepted. And with her optimism and confidence at a new high, Jelena set about applying her new skills as soon as she completed the course.

"With the help of the grant money I was able to get going almost straight away," she says, "I bought two sewing machines, a PC and a camera. And the money helped towards installing air-conditioning, a work-desk and other office furniture. Marketingwise, the money made it possible to get proper business cards, flyers and fashion posters, a logo for the company and a smart shop-sign to attract

business. I think this programme offers a great starting chance to succeed in business for anyone with an entrepreneurial spirit."

A key idea behind the self-employment programme has been to reduce unemployment by encouraging the creation of small businesses that will not only provide a living for successful entrepreneurs but also for the workers they employ.

"The feeling is great when I see a company established with the support of this programme growing and prospering," says Menka Gugulevska, Advisor in the Skopje Employment Center. "Even at the initial stage of the project some candidates show great promise not only to succeed alone but to develop their companies into larger firms and become successful employers of others."

Jelena's business provides a good example: as a result of the programme she has already been able to recruit one employee. "From here I plan to grow the company into a bigger fashion house," she says, "One that can compete in quality and prices with the other fashion houses already established in the market."



# Keeping the family together

BUILDING A FUTURE

"It's not right to say there's no work in this country when people have so much potential they don't realize," says Qerim Dauti, "We should be trying to create jobs here—finding ways to use the skills we already have, not leaving our homes to find work abroad."

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Qerim can speak from personal experience—like so many of the country's citizens he once left his life here behind to find work a long way from home. For twelve years he lived in Australia working in the construction industry.

But despite successfully applying for Australian citizenship, Qerim eventually returned to his roots. "Starting over again isn't easy," he admits, "When I first came back I had to make a living as a taxi driver. I'd gained a lot of skills in carpentry in Australia but I didn't have the confidence and knowledge to make the most of them so I just worked on the side doing jobs for people informally—but that was no kind of stability."

"Helping people make the most of their skills is what the Self-Employment Programme is all about," says Goran Jovanovski, Head of Sector for Active Labor Market Measures in the National Agency for Employment, "If we can achieve that aim we'll not only reduce unemployment but also help stem the flow of human resources out of the country."

A recent survey found that approximately 42% of young people aged between 19 and 27 say they would probably leave the country to seek employment abroad, while no less than 30% say they would probably leave the country for good.

At sixty years old with four children, there is nothing Qerim wants more than to keep his family together. "I don't want my grandchildren





emigrating for work like me," he says, "And I'm going to do all I can to make sure they have opportunities here. That's why I applied. A friend of mine happened to mention the self-employment programme and it sounded like a way to make my carpentry work more regular, more stable. What I was looking for especially was help with planning. But the workshop gave me something even more important as well—it built up my belief in what I can achieve."

At the workshop the trainees are guided by a team of expert trainers through the process of developing their ideas into business plans. Risto Ivanov, a trainee team leader, explains:

"Our goal at the workshop is to advise each trainee on how to present their business idea and to submit it in writing for assessment. We try to transfer our experience and know-how by taking the participants step by step through

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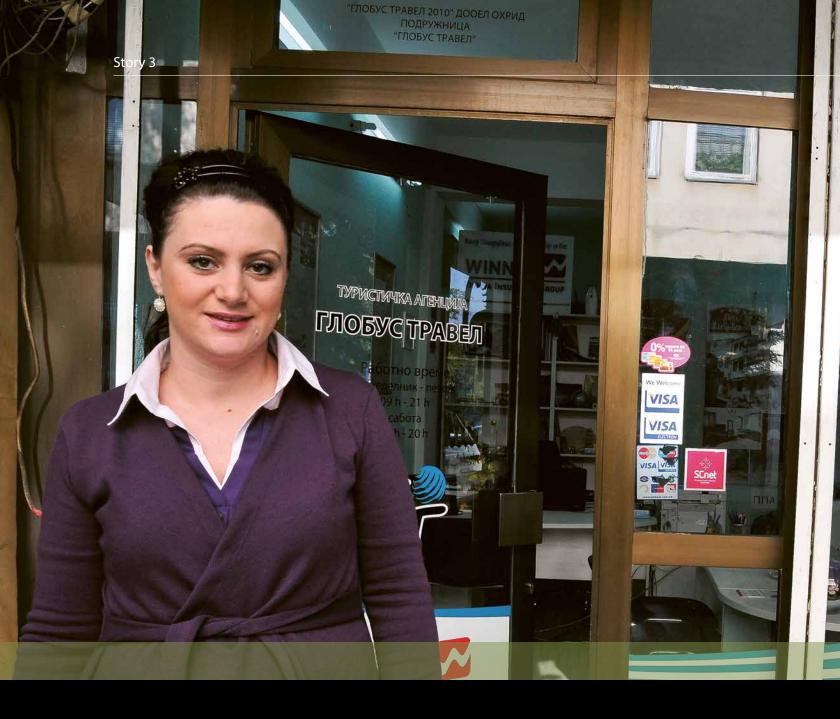
the process of developing and upgrading their selected business ideas. And we give them specific exercises to help them define the key issues associated with doing business. These are methods we've tailored specifically to the needs of the unemployed."

Thanks to Qerim's hard work and determination, together with the business training he received through the Self Employment Programme, the prospects for himself and his family are getting better and better: since finishing the course, Qerim has formalised his carpentry work into a family business. Both his son and his daughter-in-law are now working with him and they expect to recruit another two employees very soon.

In his newly refurbished office, equipped with help from the self-employment grant, Qerim works on the design of new products with his son who is also a professional carpenter.

"I used to sell my products only locally," he explains, "But through the workshop I learnt how to plan sales and extend into new markets. Now we're selling in Ohrid and Bitola and even exporting to Tirana and Switzerland. What we need to do now is to increase sales by exporting to the EU. And if everything goes to plan it won't be long before I can employ my own grandchildren in the business."





## Going global

TAKING THE LEAP INTO TOURISM

"We were very glad to see innovative ideas for tourism amongst the applications," says Violeta Dimitrievska, Head of Sector for Active Labor Market Measures in the National Agency for Employment, "Especially because eco-tourism is an area that ties in closely with our wider aim of ensuring the sustainable development of the country's most beautiful and environmentally fragile regions."

"Taking the first steps in setting up your own business can be quite daunting and a lot of good ideas simply never see the light of day," says Sinisha Pekevski, one of the expert trainers working with the self-employment programme. "Helping people to bring their ideas to life is what makes these workshops so rewarding for everyone."

Twenty-seven-year old Elena Naumovska from Ohrid was one of the 900 people who successfully applied for and completed the programme in 2010. "I recommend this course to anyone who has a good business idea and is prepared to be persistent," she says, "Persistence is crucial to making the best of this opportunity because being accepted on the course is only the beginning. You have to get your business plan up to the standard required by the Expert Committee at the end of the workshop."

Elena's persistence paid off soon after completing the course—she now runs her own tourist agency and employs her own staff.

Elena graduated from the Information Technology faculty in Bitola and had already started working as a tourist guide before she finished her studies in 2006. Over the following four years she gradually built up the contacts and experience necessary to provide more and more services for

tourists and it was then she began to consider opening up her own tourist agency. "Ohrid is the top tourist destination in the country," she explains, "And although it's a very competitive market in a relatively small city the potential is still growing for different types of tourism—ecotourism, adventure holidays, congresses, cultural tourism—especially now that our country is being more successfully promoted abroad."

To start out on her own, Elena knew she needed a good business plan that would give her an edge over the competition. "One of the most important insights I got from the Programme was an understanding of the importance of a sound marketing strategy."

On completing the workshop, Elena opened a small agency in the heart of Ohrid's tourist centre on Turisticka Bulevar. "Thanks to the grant I was able to buy all the equipment I needed to furnish the office," she says, "And the same funds meant I could start actively promoting the agency over the internet to target customers throughout the country and abroad."

"We were very glad to see innovative ideas for tourism amongst the applications," says Violeta Dimitrievska, Head of Sector for Active Labor Market Measures in the National Agency for Employment, "Especially because eco-tourism is an area that ties in closely with our wider aim of ensuring the sustainable development of the country's most beautiful and environmentally fragile regions."

To succeed in the tourism business requires strong marketing skills and a willingness to try out new ideas for attracting tourists, especially in the current global economic climate when taking a holiday is increasingly seen as a luxury. Elena puts the success of her new business down to proactive marketing on the web and persistence in finding new offers for different types of tourists. "Focussing on winter tourism offers has been one of the breakthroughs," she says, "Because you can't



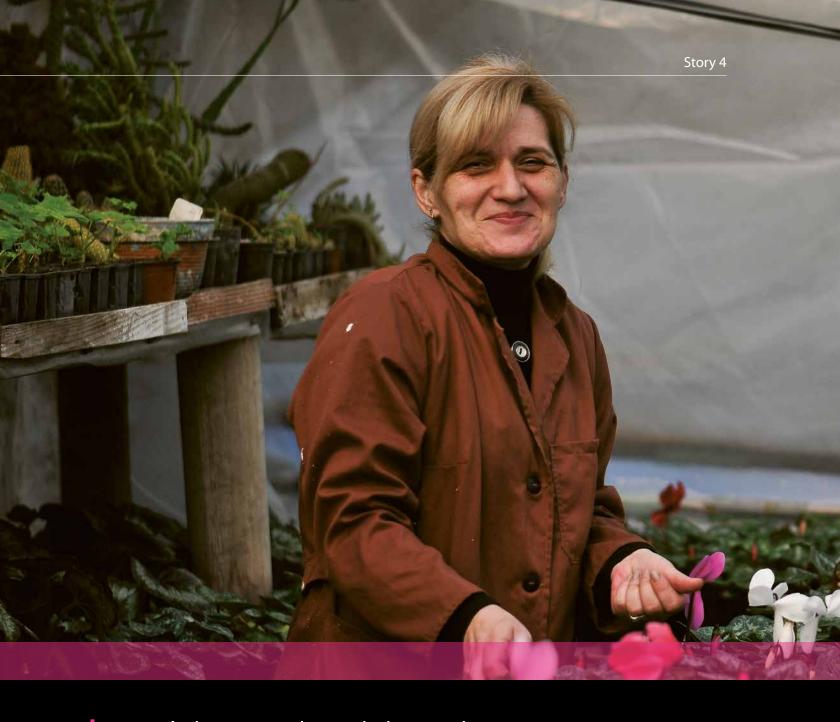
rely only on one season. And building up good cooperation with international tourist agencies is another area that's proved a sound investment of time and energy."

Since the agency first opened, Elena has managed to cater for over six hundred tourists from Hong Kong and China, some 150 tourists from Romania, and over 500 tourists from the countries of the former Yugoslavia. Importantly, too, she has broken into the congress tourism market, organizing a major conference for bankers in Ohrid.

Confirming the hopes of all those involved in designing and running the self-employment programme, the success of Elena's agency has resulted in increased employment opportunities for others: "We have four people employed in the agency now," she says, "all of them previously unemployed. For one of them I've been able to use the grant available through the Government programme for subsidized employment."

"To have gotten this far in these tough economic times is something I'm quite proud of," says Elena, "Slowly but surely we're building a brand that will some day compete with the top players in the local market. The quality of the services we provide is high and the next step is to promote the agency in more and more countries while continuously improving and diversifying our offers."

"To have gotten this far in these tough economic times is something I'm quite proud of," says Elena



Building a budding business



"The workshop helped me get a much better understanding of business and to be more realistic in judging the strengths and weaknesses of my ideas."

"There's always a risk when you start up a business," says Velika Trajanovska, "The challenge is to plan well and get through the bad times. And if you can do that, then just think what you can achieve when the market recovers!"

Velika's new company is one of those that have been hit hard by the economic downturn of recent years. But she is determined not to abandon her dream. "I've wanted to own a flower shop ever since I was at university studying agronomy," she says, "The programme has made it possible for me to make that a reality. It's true people are spending less money on luxuries like flowers during the recession, but the workshop helped me get a much better understanding of business and to be more realistic in judging the strengths and weaknesses of my ideas."

Vlatko Popovski, the Director of the National Agency for Employment recognizes the difficulties faced by new businesses but is encouraged by the results of the Programme: "Given the current economic climate it's remarkable how many of these businesses have managed to succeed—almost seventy per cent according to the latest assessment, which is a much higher number than the international average for start-ups. I wouldn't want to play down the challenge for small

businesses, of course, surviving is tough for any small business at the moment."

Sanela Shkrijelj, one of the expert trainers, agrees that the climate is challenging for small companies. "Times have been tough since the economic crisis triggered a global recession," Sanela says, "But businesses have to remain optimistic. That's why we teach our candidates to be flexible and to keep an eye on the future—to be prepared at all times to review and adjust their business model. Because if your business can survive in this economic climate then you'll be more than ready to take advantage of the economic opportunities that arise when these dark clouds have passed."

After graduating in agronomy, Velika worked as the manager of an orangery until she found herself unemployed in 2003. Married with a daughter, Velika's love of growing flowers never left her and she kept her hopes alive of making a living as a florist until the opportunity arose to join the Self-Employment Programme in 2011.

Like many participants, Velika first heard about the Programme through friends. "We've been amazed

"If your business can survive in this economic climate then you'll be more than ready to take advantage of the economic opportunities that arise when these dark clouds have passed." says Sanela Shkrijelj, one of the expert trainers



how quickly the news has spread," says Aco Preskakulev, Advisor and Coordinator of the Self-Employment Programme in the National Agency for Employment, "In 2012, the Employment Service Agency we had almost 4,800 applicants, and a great deal of those had heard from previous beneficiaries. The Programme promotes itself."

'I decided to look into the idea," says Velika, "and the information I got from UNDP and the Centre for Employment confirmed it was the right move for me to make. I can't pretend I wasn't afraid of the risks but I thought to myself, well, this is the chance I've been waiting for to make my own future."

For Velika the most important lesson she learnt from the workshop was the need for new companies to be resilient: "Business resilience and determination to succeed—those are the things that matter, especially In the early stages. You can't expect overnight success in this climate – you have to plan to survive the hard times."

UNDP's Vesna Dzuteska Bisheva agrees persistence is key. "This programme aims to support and encourage people who are really determined to succeed. The business idea, the determination, even the initial capital, all have to come from the participants. UNDP and the national institutions, with support from UNDP, are here to help



"The advice I'd give anyone thinking of applying for the programme," says Velika, "is to get over your fear of failure and take the risk. Because even if your business doesn't succeed at first, at least you can look yourself in the eye and say you tried your best."

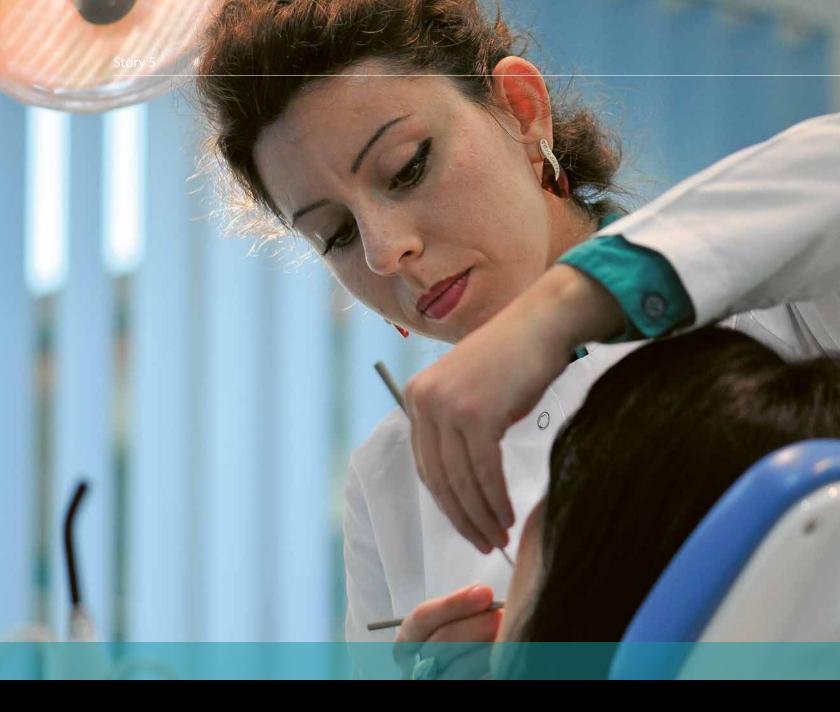
them to validate and strengthen their ideas and translate them into viable business plans as well as to prepare them to get acquainted with the skills and knowledge of administrative, financial and accountancy that every entrepreneur has to know."

With the start-up funds she received as part of the programme after successfully completing the workshop, Velika invested in seeds and fertilizer and a new greenhouse that have made it possible for her to dramatically increase her production. By concentrating on production without incurring the expenses and risks of a retail outlet, she has built a sound basis for future growth. "I plan to expand production soon," she says, "And when the time is right I'll scale up the business and invest in transport to increase the range of deliveries."

"The advice I'd give anyone thinking of applying for the programme," says Velika, "is to get over your fear of failure and take the risk. Because even if your business doesn't succeed at first, at least you can look yourself in the eye and say you tried your best."

Beside the already functional measure on support to successful businesses with financing additional employments, the Government and UNDP aim to set up a web site that would improve access to information. It will enable effective participation of potential programme candidates during the application phase, but also will serve as a portal to those that already established small businesses through the previous employment programme phases. It will enable an environment for sharing of experience and support institutional infrastructure already provided by the Government.





Where there's a skill there's a way

"In this context," says Tatjana Sestovik, Advisor and Coordinator for training measures in the National Employment Agency," a key aim of the Self-Employment Programme is to encourage unemployed graduates and others to consider different ways of making use of their skills."

"I started applying for jobs as soon as I completed my dentistry studies," says 30-year old Arta Alija, "But I had no luck with any of the state clinics."

A harsh lesson that many young people are learning in these difficult economic times is that educational qualifications, training and skills are not enough to guarantee employment after graduation. While the number of people enrolling at university and the number of people continuing their studies to postgraduate level has risen in recent years, the percentage of unemployed graduates has only increased, with over 20% of graduates unemployed in 2011.

"In this context," says Tatjana Sestovik, Advisor and Coordinator for training measures in the National Employment Agency," a key aim of the Self-Employment Programme is to encourage unemployed graduates and others to consider different ways of making use of their skills."

Arta worked for two years in private dentist's practices in two villages near Tetovo. What she really wanted, however, was to open her own business. "I had the technical skills," she says, "I just didn't have the business knowledge or the funds to start up on my own."

Arta's friends and family knew about her ambitions and encouraged her to apply for the self-employment programme. "I'd seen an advertisement for the programme in the

newspaper but I had to be persuaded—we aren't used to running our own businesses so it always seems safer to work for someone else"

"The grant was obviously a big incentive for applying," says Arta, "Because there's just no way I could find that backing otherwise. But that isn't the full story—apart from the difficulty of raising funds it's the fear of the large amount of paperwork involved that stops people taking the leap. Something I'd strongly encourage other candidates to do is to stop thinking of all the reasons not to try. Because whatever the risks they should realize that the results come fast—and so does the satisfaction."

As well as direct help in developing their business plans, the workshop provides participants with fundamental advice on marketing and strategy. For Arta, this proved a surprising benefit of the programme. "I hadn't thought about marketing realistically before," she says, "Now I realize my business depends on getting known."

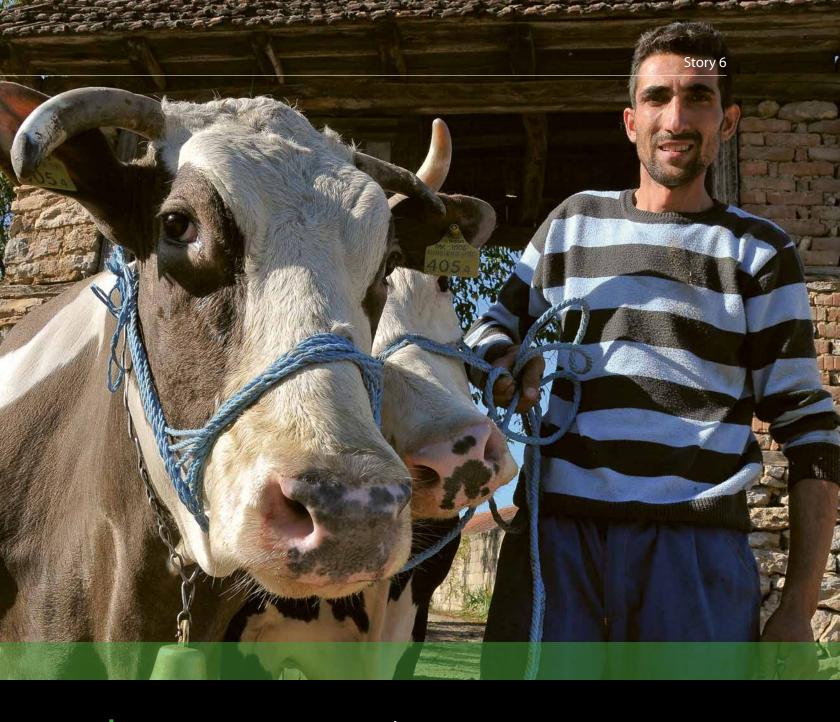
Arta now runs her own dental practice in Tetovo. "There's a lot of local competition but I'm confident about the future because I've managed to attract regular patients and the clinic is getting a name in Tetovo. The grant made a big difference because dental equipment is very expensive, but the workshop and the help of the consultant made an even bigger difference."



Already employing one nurse in her dental practice, Arta has plans to expand the clinic, buying her own x-ray machine and employing another dentist and nurse—again demonstrating the power of the self-employment programme to generate work not only for participants but for those they employ in turn.

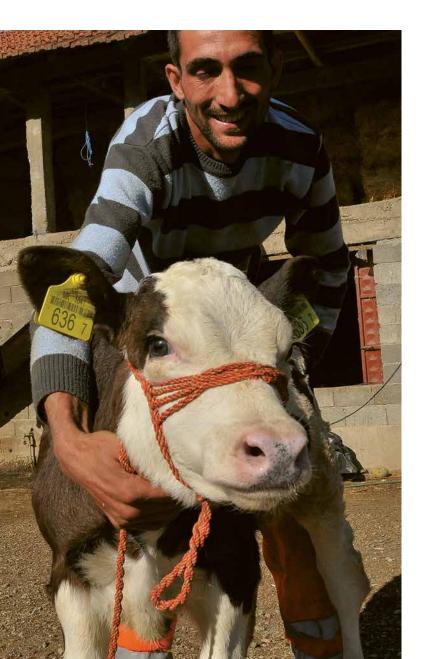
Once a new business is up and running like Arta's, the Programme offers further support by helping coordinate assistance to finance the recruitment of additional employees. And the Government and UNDP are currently helping to develop a website where those who have been through the programme and established companies can share their experiences and access comprehensive information on support available from government employment programmes. The website will also serve to inform and involve applicants seeking information on the Programme.

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Farmers mean business

"Officially, almost one fifth of the working force is employed in agriculture. Agriculture has always served as a shock absorber for the socio-economic and structural changes in the economy," says Violeta Dimitrievska, Head of Sector for active labor market measures in the National Agency for Employment.



"People shouldn't think that the programme is only aimed at helping set up urban businesses," says Violeta Dimitrievska, Head of Sector for active labor market measures in the National Agency for Employment, "Reducing unemployment in rural areas is a major priority for the Government and for UNDP.

Rural areas are a particular focus of the Self-Employment Programme because of higher levels of unemployment in these regions, lower educational and labour qualifications, and the prevalence of non-formal farming businesses. Recent research, moreover, indicates that some 47% of total agricultural labour is unpaid work.

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In the period 2008–2011, the self-employment programme alone has helped 479 businesses from the agriculture, forestry and fishing sector to become registered companies.

Hysni Demiri from the village of Zhelino near Tetovo has been a dairy farmer since he finished elementary school at the age of 15. "My family have always owned cows," he explains, "So, naturally, I left school to work with them. I like the work and it's a family tradition."

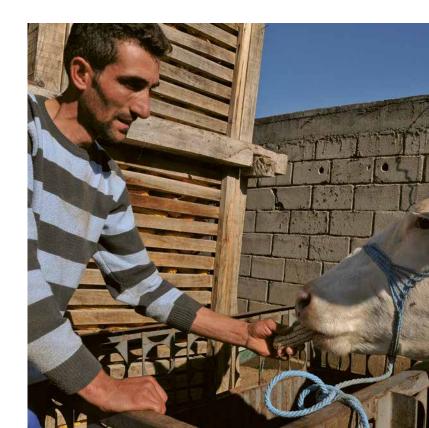
Despite Hysni's experience and skills, however, the dairy business has changed and farmers like himself and his family have had to face the challenge of formalizing and regulating their businesses more strictly. "Because we weren't a registered company we couldn't sell our milk to the producers," says Hysni, "So regularizing the business was a big part of why I applied for the programme."

Since 2008, over 1,100 businesses were formalized through the UNDP-supported formalization programme. Almost 300 of these businesses have been formalised in 2012 through the formalization component of the Self-Employment Programme.

Registering his company has made it possible for Hysni to sell his produce to the HIP Dairy 73 in the village of Kamenjane. Now his family business is not only regularised and surviving—with an average daily production of 130 litres of milk a day he is now able to start planning on expansion.

Hysni's business plan included investing in more land and equipment, and following the workshop he successfully submitted a proposal for funds to buy machinery and sprinklers. With new equipment and new business know-how, Hysni is confident about the future and very positive about the programme: "A lot of the things I learnt on the course were completely new to me. Everything I know about business I know thanks to attending the course."

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Unemployed doesn't mean untalented

'Unemployed doesn't mean untalented,' says Ivan—and his own story proves the truth of his words.

Ivan spent his childhood in foster care and after leaving school at the age of 19 he took whatever jobs he could find both in the country and abroad—mostly part-time and low-paid, and always short-term.

'It's very discouraging going from one short-term job to another,'Ivan recalls. But he didn't let himself become too disheartened. His singing skills and self-belief even took him all the way to the finals of the national talent competition Macedonian Idol. What Ivan needed most, however, a job with prospects that made use of his entrepreneurial skills, remained beyond his grasp.

The self-employment programme was designed to reach out to people like Ivan and help them develop their skills to create their own businesses. This nationwide training scheme is open to anyone who is currently unemployed and has a viable idea to set up their own company.

'I was in a rut when I heard about the project,' says Ivan, 'So the idea of becoming my own boss—my own employer—was really attractive.'

Ivan successfully applied for the programme in 2009 and attended his first workshop the same

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year. 'The trainers helped us turn our ideas into realistic business plans and taught us the basic principles of management and planning,' says Ivan.

The workshop helped Ivan and the other participants tailor their business plans to the needs of the local market. Ivan's plan to open a take-away pizzeria in Skopje was one of those evaluated as feasible by the experts who run the programme and a suitable consultant was selected to help Ivan set up his company.

'Making a success of a take-away pizzeria obviously requires some business skills,' explains Ivan, 'But the costs of setting it up are manageable



and I was convinced there was a market for the products I wanted to sell. Through the programme I was able to buy all the equipment necessary to get started—the oven, the fridge, the work surfaces...'

Ivan opened his business in 2009 and the popularity of his pizzas has shown his entrepreneurial instincts were correct. His original recipe for chocolate pizzas—the first of their kind in the country—has proved a big hit with the locals."

The success of Ivan's business has already made it possible for him to take on an extra employee— an old friend who also spent his childhood in foster care. 'The programme helped me help

"His original recipe for chocolate pizzas—the first of their kind in the country—has proved a big hit with the locals."

myself. Even better, it's made it possible for me to help other people too.'

Working on his latest pizza recipe, Ivan hopes the programme will grow and give other people like him the confidence and support they need to follow their business instincts. 'I wasn't sure I had the skills to run a business or the confidence to take the risk,' he says, 'But now I know I've got what it takes and I'm planning to build on this success.'



Ivan is one of 4,900 unemployed people who have started up their own business or found secure jobs since the programme was introduced in 2007. In 2011, 45 two-day trainings were held, attended by 990 candidates of whom 875 developed and submitted their business ideas. 750 of these candidates were selected to continue to the next phase of development of business plans through the voucher counselling system of the Agency for the Promotion of Entrepreneurship. Each selected candidate is provided with a consultant who prepares a business plan in close cooperation with the candidate. Of the 750 business plans developed and evaluated in 2011, 700 have been selected for registration, entitling them to apply for grants for the procurement of equipment and essential materials. These grants have helped participants to cover the costs of setting up a wide range of small businesses, including solicitors, accountants, dentists, hairdresser'seven a tattoo parlour.

> "Making a success of a takeaway pizzeria obviously requires some business skills," explains Ivan, 'But the costs of setting it up are manageable and I was convinced there was a market for the products I wanted to sell. Through the programme I was able to buy all the equipment necessary to get started—the oven, the fridge, the work surfaces..."





Being your own boss

#### "There are other car-wash places in Shutka, of course, but I could see there was a demand for better quality. So I applied with a business plan that included buying cleaning equipment better than the competition." says Senat Demiri

Senat Demiri is from the Roma community and lives in Shuto Orizari, one of the most economically deprived areas of Skopje. Reaching out to unemployed people from the more vulnerable social groups in the population has been a key aim of the Self-Employment Programme.

Senat had been without a regular formal job for ten years when he first heard of the programme in 2011. "The idea of being my own boss was a big attraction," he explains, "So I decided to think of a small business that might work in my area and I came up with a carwash. There are other car-wash places in Shutka, of course, but I could see there was a demand for better quality. So I applied with a business plan that included buying cleaning equipment better than the competition."

Senat's proposal was accepted and he attended the workshop in 2011. "I learnt there's a lot more to running a business than just the service," says Senat, "The trainers showed me how to cover the costs of marketing and future investments in my plan."

As with all of the candidates whose plans are approved by the Experts Evaluation Committee, Senat benefited from the input of specialized consultants to help him refine his plan and put it into action. "The consultants [from the Agency for

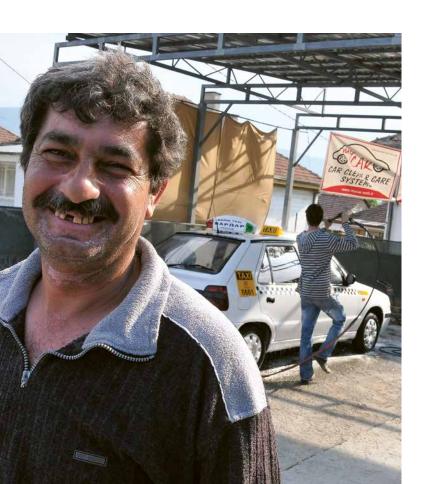
the Promotion of Entrepreneurship] saw exactly what I was aiming for and helped me focus on ways to compete with the other car-washing services."

Once a candidate's idea has been approved by the trainers and coordinators of the Employment Centre and their business plan has been developed, an external evaluation committee of banking experts evaluates the plans. Business consultants are assigned to each candidate who successfully completes the course and has their business idea approved by the trainers.

Marjan Stojcev, head of the Agency for the Promotion of Entrepreneurship, one of UNDP's main partners in the implementation of the Self-Employment Programme, explains the process: "The Agency started implementing the subsidized counselling voucher system in late 2005 and this system has continued to evolve ever since.

The voucher system works in cooperation with other programmes and projects but most intensively with the Self-Employment Programme which shares the Agency's priorities and goals. Each year we have an open call for admission consultants who will engage in the work of the counselling voucher system. In recent years the Agency has managed to create a National

"Thanks to participation in the Self-Employment Programme, the number of these experts is increasing every year. Working with this Programme is especially rewarding because we are helping unemployed people who have decided to take their fate into their own hands and to experience the challenging but exciting world of entrepreneurship."

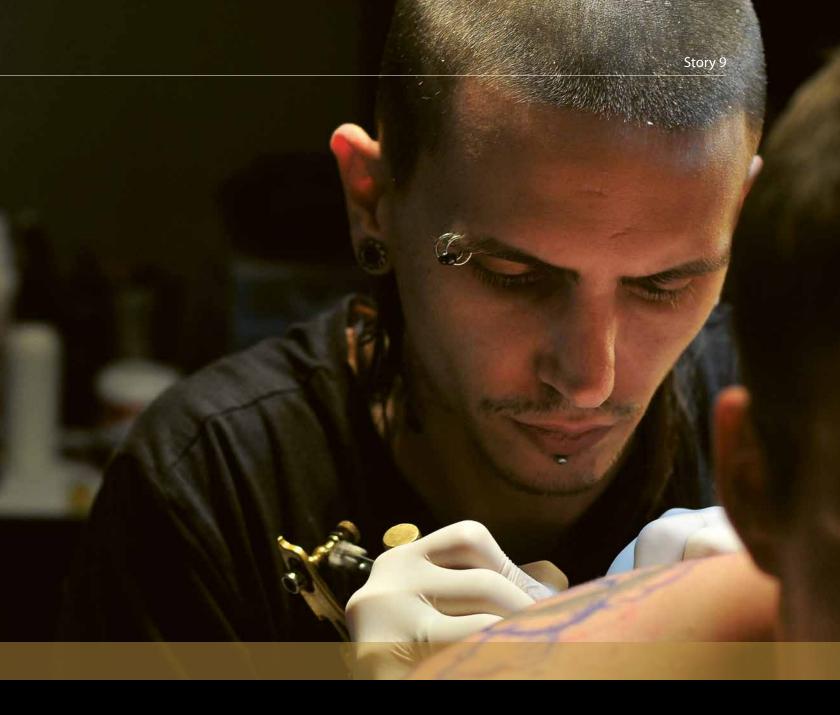


Catalogue of more than 300 consultants, some 180 of whom specialize in making business plans. Thanks to participation in the Self-Employment Programme, the number of these experts is increasing every year. Working with this Programme is especially rewarding because we are helping unemployed people who have decided to take their fate into their own hands and to experience the challenging but exciting world of entrepreneurship."

Thirty-seven-year-old Senat is now the proud owner of his own car-wash service in an excellent location with equipment that gives him a crucial edge: "With the new machines I bought with the grant I can attract a lot more clients because my customers can tell the difference in service"

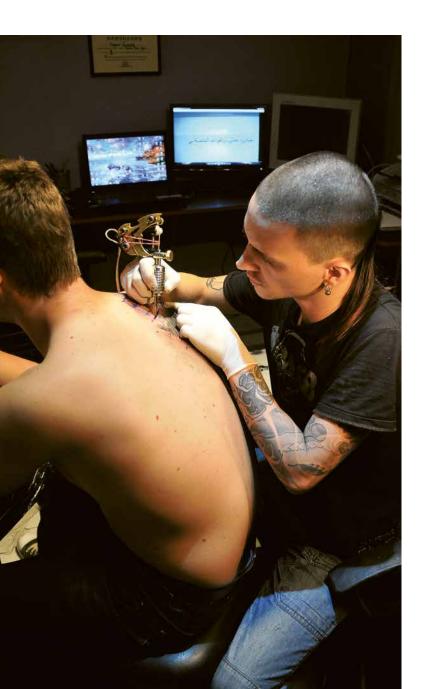
Unemployment amongst the Roma population is currently estimated at 53%, compared to some 27% of the non-Roma population. Amongst Roma women the figure is even higher: 70% of Roma women are unemployed, compared to 35% of non-Roma women. Many Roma, moreover, have suffered from long-term unemployment, with 70% of young unemployed Roma reporting that they have no work experience at all. The majority of employed Roma are in unskilled or semiskilled jobs and many of these jobs are irregular, temporary and part-time.

The Self-Employment Programme is one of many ways in which the Government and UNDP are supporting efforts to address the problem of unemployment and irregular employment among the Roma. And Senat's new Hadisa Mala car-wash in Shuto Orizari is just one of the substantial results achieved.



Signs of success

"With another child on the way it was a real make or break moment in my life," says Igor, "Either I had to give up my dream or go all out to achieve it before it was too late."



Igor Guchkov was out of work and his wife was expecting their second child when he first realized, two years ago, that his best chance of gaining steady employment in the only job he enjoyed was to take the leap of starting his own business. "With another child on the way it was a real make or break moment in my life," says Igor, "Either I had to give up my dream or go all out to achieve it before it was too late."

Igor's dream was to open his own tattoo salon in his hometown of Bitola. "Tattooing is my passion. I just can't imagine doing anything else. I had room to set up a salon in my house, but the legal process and all the details of business planning were a real put-off—not to mention the money for the equipment to get started."

The Self-Employment Programme has been designed to meet the needs of people like Igor who have the necessary skills and a viable business idea but lack the experience and confidence to set up their own companies and start working for themselves.

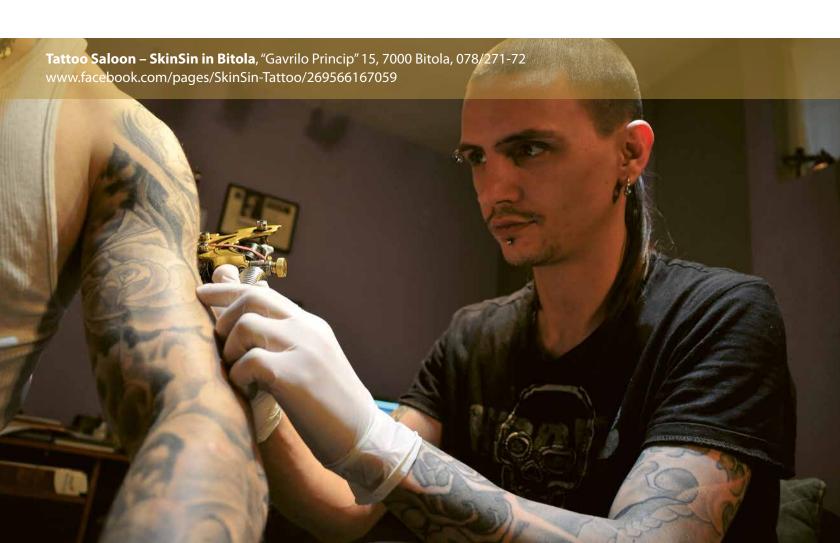
"What we often find is that participants already have strong ideas but are daunted by the paperwork of formalising their businesses," says Liljana Stojanovska, Advisor in the Bitola Employment Center, "People typically overestimate the difficulties of forming a company and we're here to guide them through the process, building up their confidence."

Igor applied for help with formalizing his business in 2010. Igor worked closely with the team from the Employment Centre on developing his business plan and received training from UNDP Monitoring Officers on the procedures of registration. Two years later he has a tattoo salon of his own in Bitola equipped with tools funded partly by the self-employment grant.

Operating from the ground floor of his family house, 32-year-old Igor has already established SkinSin as one of the most popular tattoo salons in the city.

"People typically overestimate the difficulties of forming a company and we're here to guide them through the process, building up their confidence."

"Applying for the course was one of the best decisions I've ever made," he says, "I believe in myself now and I'm determined to make this business a success."





Rebuilding lives

#### "From the start of the Programme we incorporated the aim of empowering victims of domestic violence," explains UNDP's Assistant Resident Representative, Vesna Bisheva

The UN is deeply committed to helping victims of domestic violence rebuild their lives and reintegrate in society. The Self-Employment Programme has an important role to play in achieving this aim, empowering women to become independent and expanding their employment opportunities.

"From the start of the Programme we incorporated the aim of empowering victims of domestic violence," explains UNDP's Assistant Resident Representative, Vesna Bisheva, "In this case we've designed special training to help the most vulnerable overcome the psychological and social effects of domestic violence so they have the confidence to succeed in the course."

As part of UNDP's wider support of the country's employment strategy, some 57 victims of domestic violence have been helped to find work since 2010.

Ms. X from the Roma community in Bitola is a divorced single mother of two who has fought hard to rebuild her life and sustain her children since leaving an abusive marriage. She completed her secondary education at a vocational high school where the skills she learnt in construction helped her get a good job with a state construction company. After sixteen years of working there, however, she suddenly became unemployed in 2001. "You can never really imagine what it's like until you lose a job yourself," she says, "The

pressures start building up immediately and your confidence can go if you start losing hope."

She never stopped looking for work. But the jobs she took never offered any security. "You take whatever work you can when you've got children to support, even jobs where you can't be sure you'll be paid at the end of the month."

Ms. X's employment history is far from untypical of many people in the country, especially women with children to care for. One of the many negative aspects of high unemployment and a stagnant economy is an increase in the number of people willing to accept jobs with irregular conditions and wages that cannot sustain a decent life. Promoting self-employment and training programmes is one important way of fostering the creation of more fulfilling and sustainable jobs and of making the labour force become more competitive.

According the official statistics some 17% of the new value in the economy is created in the informal sector. Some experts, including the leading World Bank economists estimated that in 2008 even some 34.5 % of the added value was created in the informal sector. This implies that significant portion of people secure their livelihood from informal business. Many of these people, like Ms. X, are from the most vulnerable groups in society who will accept unfair and unregulated working conditions as a means of survival. The Self-Employment Programme seeks to address

"A lot of what it takes to empower people is psychological. I have a lot of respect for this programme because it helps people to help themselves. And when you help yourself you can help others too."

this problem both by training vulnerable people to become self-employed and by encouraging those who run informal businesses to apply for the course and to regularize their operations. Since 2008, through this programme some 1,100 informal businesses have been regularized. This is additionally important because the economic prospects for informal businesses are severely limited and conditions for irregular employees are typically very poor.

Miroslav Pendaroski, psychologist and specialized trainer says, "It's essential to provide extra help in finding a job for victims of domestic violence. Economic independence is vital for women who need to separate from a violent partner. But the abuse they have suffered can take a severe toll on their confidence."

Encouraging women victims of domestic violence to enter the labour market requires concerted efforts by professionals both from the centres for social work and employment centres. Therefore, the programme provides training for the professionals to provide effective counselling services to women victims of domestic violence

and to encourage them to enrol in some of the available active labour market measures.

In addition, the programme works directly with the unemployed women victims on their economic empowerment. Through a three-day session some 235 women received psycho-social support and 253 women victims have received carrier development training and upgraded their skills in CV writing and presentation during interviews:

Ms. X feels the training will be especially helpful in building people's belief in themselves: "A lot of what it takes to empower people is psychological. I have a lot of respect for this programme because it helps people to help themselves. And when you help yourself you can help others too."

Ms. X's own experience has inspired her to help other women from the Roma community and she is actively involved in groups and projects supporting the victims of domestic violence.

With the business skills and grant she gained from participating in the programme, Ms.X opened an internet café in Bitola. Two years later, her business is still successful in a very challenging market.

Her advisor, Liljana Stojanovska, from the Bitola Employment Centre puts the success of the café down to Ms.X self-belief, energy and determination: "She is a very strong woman who fights for what she wants and what she believes to be right. That attitude has helped get her through the hard times that can come with setting up your own business. Plus she's been very good at attracting young people to the café by engaging with them and providing a safe environment."

This brochure presents the individual stories of just some of the thousands of unemployed people who have successfully participated in the Government's Self-Employment Programme. These stories of success, together with information on the aims of the Programme, the application and selection process, and follow-up support, provide both a guide and an inspiration for those who are interested in applying to take part in the programme.

Self-employment has proved to be an exciting and rewarding solution to unemployment for a number of people in the country over recent years. And their success in turn has generated additional employment opportunities for others who are unemployed—including those from the most vulnerable groups in society.

Reducing the country's high rate of unemployment at a time of global economic instability is an immense challenge and a top priority. The country's sustainable development depends upon success in creating more jobs and developing skills amongst the unemployed that match the needs of the labour market.

The Self-Employment Programme is developed and implemented by the Government and UNDP. It has become an essential part of the country's employment strategy and is one of the seven active labour market measures of the national 2012-2013 Operational Plan on Employment. These measures have been designed to promote smart, sustainable and socially inclusive growth.

#### For further information about the programme, contact:

Employment Service Agency www.avrm.gov.mk

United Nations Development Programme www.undp.org.mk

Ministry of Labour and Social Policy www.mtsp.gov.mk

If you are interested in applying, contact your local employment center, or visit:

www.samovrabotuvanje.mk