

# Financial support for research and development (R&D)

## General info

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### Economy name

North Macedonia

### ID

N10

### Incentive name

Financial support for research and development (R&D)

### Brief description

Financial support of up to 50% of the total eligible costs for establishing of department, centers or other organizational forms for research and development (R&D)

## Legal reference

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### Legal reference name

Law on Financial Support of Investment No. 83/2018 „Official Gazette of North Macedonia“ No. 98/2019, 124/2019 and 178/2021

### Legal reference (Law section / article)

Article 20

(1) The financial support for establishment of organizational forms aimed at technological development and research shall be granted for the establishment of departments, centers or other forms of organizational structure in which sustainable research and development projects are implemented and highly qualified personnel are engaged in order to acquire new knowledge and skills for development of new products, production processes or services, or for significant improvement of the existing products, production processes and services in the production activities.

(2) The financial support referred to in paragraph (1) of this Article shall be granted to business entities that are to establish independent organizational forms aimed at technological development and research, or are to establish them as part of their existing organizational structure.

(3) The financial support referred to in paragraph (1) of this Article shall be up to 50% of the total eligible costs for industrial research per beneficiary, of which 30% shall be granted for the investment costs referred to in paragraph (4) line 1 of this Article, but not more than EUR 1 000 000 in MKD equivalent according to the middle exchange rate of the Central Bank of the North Macedonia on the day of payment for a project for which investment costs are generated.

(4) Eligible investment costs referred to in paragraph (1) of this Article shall include:

- costs for instruments and equipment used for the needs of the research project;
- costs for buildings and land on which an organizational form aimed at technological development is to be established;
- costs for contracted research, technical knowledge and patents purchased or licensed by external sources at market prices;
- additional costs incurred directly as a result of research projects; and
- other operating costs, including the costs of materials, supplies and similar products incurred directly as a result of the research activity.

(5) The financial support referred to in paragraph (3) of this Article shall be granted for a period

not exceeding five years as of the year in which the application for granting financial support has been submitted.

## **Incentive design**

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### **Incentive group**

Financial

### **Incentive category**

Grant

### **Economy-wide/Sector-specific**

Sector-specific

### **Sector (Simplified)**

Manufacturing

### **Sector (NACE)**

N/A

### **Size of firm that can use incentive**

All sizes of firms

### **Level at which incentive is available**

Economy-wide

### **Ownership of firm that can use incentive**

Any

### **Incentive location**

General

### **Main objective of the incentive**

Research and development (R&D)

### **In case of grant, share of grant in investment (in %)**

0,5

## **Access to information**

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### **Contact Info**

Agency for Foreign Investment and Export Promotion of North Macedonia  
st: Nikola Vapcarov No.7, 1000, Skopje  
contact: +389 2 3100 111  
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web:www.invest.gov.mk

### **Weblink to Incentive information in English**

### **Weblink to Incentive information in local language**

## **Eligibility criteria**

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### **Eligibility criteria (description)**

Article 21

to achieve growth of the revenues from the business activity and of the average number of employees compared to the generated revenues and the average number of employees in accordance with Article 9 of this Law;

- the core activity of the business entity to be in the field of production; and
- the activities and the results of the organizational form aimed at technological development and research to be applicable in production.

(2) The beneficiary of the financial support should retain the average number of newly employed persons if the financial support has been used for payment of the net salaries referred to in Article 15 of this Law, for a period of at least three years as of the last year for which financial support has been paid.

### **Eligibility criteria (weblink)**

## **Incentive administration**

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### **Awarding Authority (Name)**

Agency for Foreign Investment and Export Promotion of North Macedonia (Invest North Macedonia) and the Directorate for Technological Industrial Development Zones

### **Application procedure + Weblink (where available)**

The application form for granting Financial Support for investment outside technological industrial development zones shall be submitted to Invest North Macedonia as a competent authority no later than May 31st of May of the current year.

The application for financial support for investments within the technological industrial development zones shall be submitted to the Directorate for Technological Industrial Zones.

In addition to the application, financial statements from the previous four years or for a shorter period depending on the date of establishment of the business entity are submitted.

<https://investnorthmacedonia.gov.mk/invest-how-to-apply/>

### **Implementing Authority (Name)**

Agency for Foreign Investments and Export Promotion of North Macedonia