

INDUSTRIAL POLICY*

I. INDUSTRIAL STRATEGY	2
SECTION I GENERAL QUESTIONS ABOUT INDUSTRY	2
SECTION II INDUSTRIAL SECTORS AND SUB-SECTORS	23
<i>A. Raw materials, non-ferrous metals, ferro-alloys, cement, glass, ceramics, paper and wood, publishing industry</i>	<i>23</i>
<i>B. Chemicals and rubber</i>	<i>137</i>
<i>C. Mechanical and electrical engineering and consumer electronics</i>	<i>168</i>
<i>D. Information technology industries</i>	<i>205</i>
<i>E. Pressure vessels, medical devices, measuring instruments, medical devices, including active medical devices and in vitro devices</i>	<i>243</i>
<i>F. Construction and construction products</i>	<i>253</i>
<i>G. Transport equipment industries</i>	<i>259</i>
<i>H. Food products</i>	<i>286</i>
<i>I. Textiles and clothing, leather, footwear, furniture, toys</i>	<i>317</i>
<i>J. Pharmaceutical products</i>	<i>365</i>
<i>K. Tourism</i>	<i>388</i>
SECTION III SUPPLEMENTARY QUESTIONS	405
II. GLOBAL STRATEGY	427
III. IMPLEMENTING THE HORIZONTAL AND SECTORAL DIMENSIONS OF INDUSTRIAL POLICY INCLUDING INVESTMENT PROMOTION	437
IV. PRIVATISATION AND RESTRUCTURING	444
V. ADMINISTRATIVE CAPACITY	452

* in this chapter English number format (000,000.00) is used

I. INDUSTRIAL STRATEGY

Section I GENERAL QUESTIONS ABOUT INDUSTRY

1. Importance of industry to the economy

(As and where appropriate, your replies should be in both absolute and relative (percentages) figures.)

a) Contribution to gross national product (GNP)

b) Breakdown between manufacturing and services in relation to GNP

c) Contribution to GNP, by size of enterprise[1], and by public and private sector

For the sake of uniformity, please follow the size criteria used in the EU:

- large enterprises: over 250 employees
- medium-sized enterprises: between 50 and 250 employees
- small enterprises: fewer than 50 employees (if necessary a further category may be distinguished: micro-enterprises: fewer than 10 employees).

a)

Table: Contribution to gross domestic product (GDP) In percent			
2000	2001	2002	2003
22.5	21.8	19.7	20.7
Source: State Statistical Office			

The Republic of Macedonia does not have data on Gross national product. Due to this reason data on Gross domestic product are used.

b)

Table: Breakdown between manufacturing industry and services in relation to GDP In percent				
NCA (National Classification of Activities)	2000	2001	2002	2003
A Agriculture, hunting and forestry	10.0	9.8	10.0	11.7
B Fishing	0.0	0.0	0.0	0.0
C Mining and quarrying	0.8	0.6	0.4	0.4
D Manufacturing	17.3	16.9	15.5	15.6
E Electricity, gas and water supply	4.4	4.3	3.7	4.6
F Construction	5.7	5.0	4.9	5.3
G Trade	10.7	11.2	11.2	11.5
H Hotels and restaurants	1.5	1.5	1.7	1.8
I Transport, storage and communications	9.0	9.3	8.4	8.3
J Financial intermediation	3.1	3.2	3.0	2.4
K Real estate, renting and business activities	3.2	3.6	3.3	3.3
L Public administration and defense; compulsory social security	6.1	6.2	6.6	6.7
M Education	3.5	3.4	3.6	3.7
N Health and social work	3.8	3.7	3.8	3.9
O Other community, social and personal service activities	2.2	2.4	2.3	2.2
Imputed rents	4.4	4.5	4.4	5.4
Minus: imputed banking services	2.2	2.0	1.7	1.5
Value added	83.5	83.5	81.4	85.6
Taxes minus subsidies	16.5	16.5	18.6	14.4
Gross Domestic Product	100.0	100.0	100.0	100.0
Source: State Statistical Office				

c)

Table: Contribution to GDP by size of enterprise In percent				
	2000	2001	2002	2003
Small	35.4	37.0	37.2	41.4
Medium	11.2	12.2	7.5	14.9
Large	34.6	31.6	34.0	25.2
Imputed rents	4.4	4.5	4.4	5.4
Minus: imputed banking services	2.2	2.0	1.7	1.5
Taxes minus subsidies	16.5	16.5	18.6	14.4
Gross Domestic Product	100.0	100.0	100.0	100.0
Source: State Statistical Office				

Chapter 15 Industrial policy

Table: Contribution to GDP by size and sector of enterprise
In percent

NCA	2000				2001				2002				2003			
	Total	Small	Medium	Large	Total	Small	Medium	Large	Total	Small	Medium	Large	Total	Small	Medium	Large
A Agriculture, hunting and forestry	10.0	8.4	0.5	1.1	9.8	8.8	0.3	0.6	10.0	9.1	0.3	0.6	11.7	11.0	0.2	0.4
B Fishing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
C Mining and quarrying	0.8	0.0	0.1	0.6	0.6	0.1	0.1	0.3	0.4	0.1	0.0	0.3	0.4	0.1	0.1	0.2
D Manufacturing	17.3	5.7	4.1	7.6	16.9	5.8	4.0	7.1	15.5	6.2	1.7	7.6	15.6	5.9	2.8	6.9
E Electricity, gas and water supply	4.4	0.1	0.4	3.9	4.3	0.1	0.4	3.8	3.7	0.1	0.6	3.0	4.6	0.1	0.4	4.1
F Construction	5.7	2.2	1.3	2.1	5.0	2.4	1.4	1.2	4.9	2.3	0.9	1.7	5.3	3.1	1.3	0.9
G Trade	10.7	8.0	1.3	1.5	11.2	7.8	2.0	1.4	11.2	7.8	1.4	2.0	11.5	7.9	1.7	2.0
H Hotels and restaurants	1.5	1.0	0.3	0.1	1.5	1.2	0.1	0.0	1.7	1.3	0.1	0.2	1.8	1.3	0.4	0.2
I Transport, storage and communications	9.0	1.9	0.5	6.5	9.3	2.1	1.4	5.9	8.4	1.5	0.2	6.7	8.3	1.4	3.5	3.4
J Financial intermediation	3.1	0.0	0.0	3.1	3.2	0.0	0.0	3.2	3.0	0.1	0.0	3.0	2.4	0.1	0.0	2.3
K Real estate, renting and business activities	3.2	2.3	0.4	0.4	3.6	2.8	0.3	0.4	3.3	2.7	0.1	0.5	3.3	2.6	0.4	0.3
L Public administration and defense; compulsory social security	6.1	0.2	0.0	5.8	6.2	0.2	0.0	6.0	6.6	0.1	0.0	6.5	6.7	1.9	2.4	2.4
M Education	3.5	2.9	0.6	0.0	3.4	3.0	0.4	0.0	3.6	3.0	0.6	0.0	3.7	3.6	0.0	0.0
N Health and social work	3.8	1.0	1.2	1.5	3.7	1.1	1.4	1.2	3.8	1.3	1.1	1.4	3.9	1.0	1.2	1.7
O Other community, social and personal service activities	2.2	1.4	0.4	0.4	2.4	1.5	0.4	0.5	2.3	1.4	0.4	0.5	2.2	1.4	0.3	0.5
Total from A to O	81.1	35.4	11.2	34.6	80.8	37.0	12.2	31.6	78.7	37.2	7.5	34.0	81.6	41.4	14.9	25.2
Imputed rents	4.4				4.5				4.4				5.4			
Minus: Imputed banking services	2.2				2.0				1.7				1.5			
Other net taxes on production	0.0				0.0				0.0				0.0			
Value Added	83.5				83.5				81.4				85.6			
VAT	13.2				13.9				15.9				11.9			
Import duties	3.3				2.6				2.7				2.5			
Minus: Subsidies on products	0.0				0.0				0.0				0.0			
Taxes minus subsidies	16.5				16.5				18.6				14.4			
GDP	100.0				100.0				100.0				100.0			

Source: State Statistical Office

Table: Structure of the contribution to GDP by public and private sector In percent								
NCA	2000		2001		2002		2003	
	Public	Private	Public	Private	Public	Private	Public	Private
A Agriculture, hunting and forestry	0.6	9.5	0.3	9.5	0.3	9.8	0.3	11.4
B Fishing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
C Mining and quarrying	0.0	0.8	0.0	0.6	0.0	0.4	0.0	0.4
D Manufacturing	0.1	17.2	0.1	16.8	0.1	15.5	0.1	15.6
E Electricity, gas and water supply	4.3	0.1	4.1	0.2	3.6	0.2	4.5	0.2
F Construction	0.3	5.3	0.3	4.7	0.5	4.4	0.3	5.0
G Trade	0.1	10.7	0.1	11.1	0.1	11.2	0.1	11.5
H Hotels and restaurants	0.0	1.5	0.0	1.5	0.0	1.7	0.0	1.8
I Transport, storage and communications	5.8	3.1	1.5	7.8	1.1	7.3	1.1	7.2
J Financial intermediation	0.3	2.8	0.3	2.9	0.2	2.8	0.1	2.3
K Real estate, renting and business activities	0.6	2.5	0.5	3.0	0.5	2.8	0.5	2.8
L Public administration and defense; compulsory social security	6.1	0.0	6.2	0.0	6.6	0.0	6.7	0.0
M Education	3.4	0.1	3.3	0.1	3.4	0.1	3.6	0.1
N Health and social work	3.5	0.3	3.4	0.4	3.5	0.3	3.6	0.3
O Other community, social and personal service activities	0.9	1.3	0.8	1.5	0.9	1.4	0.9	1.3
Total from A to O	26.0	55.2	20.9	60.0	20.9	57.8	21.7	60.0
Imputed rents	4.4		4.5		4.4		5.4	
Minus: Imputed banking services	2.2		2.0		1.7		1.5	
Other net taxes on production	0.0		0.0		0.0		0.0	
Value added	83.5		83.5		81.4		85.6	
VAT	13.2		13.9		15.9		11.9	
Import duties	3.3		2.6		2.7		2.5	
Minus: Subsidies on products	0.0		0.0		0.0		0.0	
Taxes minus subsidies	16.5		16.5		18.6		14.4	
GDP	100.0		100.0		100.0		100.0	

Source: State Statistical Office

A small size subject is a subject that, in the last two accounting years or in the first year of operation, has fulfilled at least two of the following criteria:

- A) The average number of employees, based on work hours, is not higher than 50.
- B) The annual income is lower than 8000 average monthly gross salaries per employee in the economy of the Republic of Macedonia.
- C) The average value (at the beginning and at the end of the accounting year) of the assets is lower than 6000 average monthly gross salaries per employee in the economy of the Republic of Macedonia.

A medium size subject is a subject that, in the last two accounting or in the first year of operation, has fulfilled at least two of the following criteria:

- A) The average number of employees, based on work hours, is up to 250.
- B) The annual income is lower than 40000 average monthly gross salaries per employee in the economy of the Republic of Macedonia.

- B) The average value (at the beginning and at the end of the accounting year) of the assets is lower than 30000 average monthly gross salaries per employee in the economy of the Republic of Macedonia.

The subjects that are not classified as small or medium sized subjects fall in the category of large subjects.

Regardless of the criteria in this article, the following subjects are considered as large: The National Bank of the Republic of Macedonia, the banks and other financial organizations, the state bodies, funds and the subjects that are preparing consolidated accounting statements.

2. Number and structures of enterprises

(As and where appropriate, your replies should be in both absolute and relative (percentages) figures.)

a) Total number of enterprises in the manufacturing and services sectors

b) Number of enterprises per size category

c) Number of enterprises created (if available with a breakdown by size)

d) Number of enterprises closed down (if available with a breakdown by size)

e) Breakdown between public and private sectors

f) Number of joint ventures with enterprises from the EU and with the rest of the world

a)

Table: Total number of enterprises				
NCA (National Classification of Activities)	2000	2001	2002	2003
A Agriculture, hunting and forestry	940	1,001	841	874
B Fishing	22	26	20	23
C Mining and quarrying	66	71	78	76
D Manufacturing	7,876	7,795	8,866	9,091
E Electricity, gas and water supply	79	86	81	85
F Construction	2,317	2,418	2,559	2,787
G Trade	21,958	21,330	21,431	22,719
H Hotels and restaurants	2,272	2,243	2,245	2,382
I Transport, storage and communications	6,470	8,089	7,054	7,187
J Financial intermediation	86	87	94	104
K Real estate, renting and business activities	2,189	2,599	2,847	2,965
L Public administration and defence; compulsory social security	721	677	637	628
M Education	808	818	834	840
N Health and social work	1,063	1,171	1,249	1,275
O Other community, social and personal service activities	6,360	6,952	5,307	5,165
Total	53,227	55,363	54,143	56,201
Source: State Statistical Office				

b)

Table: Number of enterprises per size category				
	2000	2001	2002	2003
Small	52,222	54,320	52,979	55,267
Medium	533	532	354	475
Large	472	511	810	459
Total	53,227	55,363	54,143	56,201
Source: State Statistical Office				

Chapter 15 Industrial policy

Table: Total number of enterprises according to their size and sector																
NCA	2000				2001				2002				2003			
	Total	Small	Medium	Large	Total	Small	Medium	Large	Total	Small	Medium	Large	Total	Small	Medium	Large
A Agriculture, hunting and forestry	940	882	49	9	1,001	947	47	7	841	779	40	22	874	816	39	19
B Fishing	22	20	2	0	26	24	2	0	20	19	1	0	23	23	0	0
C Mining and quarrying	66	55	6	5	71	58	8	5	78	69	2	7	76	68	7	1
D Manufacturing	7,876	7,621	192	63	7,795	7,530	198	67	8,866	8,599	112	155	9,091	8,837	162	92
E Electricity, gas and water supply	79	53	21	5	86	60	18	8	81	61	17	3	85	63	16	6
F Construction	2,317	2,264	43	10	2,418	2,359	48	11	2,559	2,511	25	23	2,787	2,732	41	14
G Trade	21,958	21,855	90	13	21,330	21,221	97	12	21,431	21,335	63	33	22,719	22,590	99	30
H Hotels and restaurants	2,272	2,252	17	3	2,243	2,225	15	3	2,245	2,226	10	9	2,382	2,358	17	7
I Transport, storage and communications	6,470	6,430	30	10	8,089	8,050	28	11	7,054	7,019	11	24	7,187	7,147	25	15
J Financial intermediation	86	23	0	63	87	24	0	63	94	33	0	61	104	39	1	64
K Real estate, renting and business activities	2,189	2,170	15	4	2,599	2,580	14	5	2,847	2,829	8	10	2,965	2,942	13	10
L Public administration and defense; compulsory social security	721	441	6	274	677	370	0	307	637	187	0	450	628	431	9	188
M Education	808	788	20	0	818	804	13	1	834	812	22	0	840	837	3	0
N Health and social work	1,063	1,028	28	7	1,171	1,144	23	4	1,249	1,217	25	7	1,275	1,241	27	7
O Other community, social and personal service activities	6,360	6,340	14	6	6,952	6,924	21	7	5,307	5,283	18	6	5,165	5,143	16	6
Total from A to O	53,227	52,222	533	472	55,363	54,320	532	511	54,143	52,979	354	810	56,201	55,267	475	459
Source: State Statistical Office																

Chapter 15 Industrial policy

Table: Contribution of the enterprises by their size and sector In percent																
NCA	2000				2001				2002				2003			
	Total	Small	Medium	Large	Total	Small	Medium	Large	Total	Small	Medium	Large	Total	Small	Medium	Large
A Agriculture, hunting and forestry	1.8	1.7	0.1	0.0	1.8	1.7	0.1	0.0	1.6	1.4	0.1	0.0	1.6	1.5	0.1	0.0
B Fishing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
C Mining and quarrying	0.1	0.1	0.0	0.0	0.1	0.1	0.0	0.0	0.1	0.1	0.0	0.0	0.1	0.1	0.0	0.0
D Manufacturing	14.8	14.3	0.4	0.1	14.1	13.6	0.4	0.1	16.4	15.9	0.2	0.3	16.2	15.7	0.3	0.2
E Electricity, gas and water supply	0.1	0.1	0.0	0.0	0.2	0.1	0.0	0.0	0.1	0.1	0.0	0.0	0.2	0.1	0.0	0.0
F Construction	4.4	4.3	0.1	0.0	4.4	4.3	0.1	0.0	4.7	4.6	0.0	0.0	5.0	4.9	0.1	0.0
G Trade	41.3	41.1	0.2	0.0	38.5	38.3	0.2	0.0	39.6	39.4	0.1	0.1	40.4	40.2	0.2	0.1
H Hotels and restaurants	4.3	4.2	0.0	0.0	4.1	4.0	0.0	0.0	4.1	4.1	0.0	0.0	4.2	4.2	0.0	0.0
I Transport, storage and communications	12.2	12.1	0.1	0.0	14.6	14.5	0.1	0.0	13.0	13.0	0.0	0.0	12.8	12.7	0.0	0.0
J Financial intermediation	0.2	0.0	0.0	0.1	0.2	0.0	0.0	0.1	0.2	0.1	0.0	0.1	0.2	0.1	0.0	0.1
K Real estate, renting and business activities	4.1	4.1	0.0	0.0	4.7	4.7	0.0	0.0	5.3	5.2	0.0	0.0	5.3	5.2	0.0	0.0
L Public administration and defense; compulsory social security	1.4	0.8	0.0	0.5	1.2	0.7	0.0	0.6	1.2	0.3	0.0	0.8	1.1	0.8	0.0	0.3
M Education	1.5	1.5	0.0	0.0	1.5	1.5	0.0	0.0	1.5	1.5	0.0	0.0	1.5	1.5	0.0	0.0
N Health and social work	2.0	1.9	0.1	0.0	2.1	2.1	0.0	0.0	2.3	2.2	0.0	0.0	2.3	2.2	0.0	0.0
O Other community, social and personal service activities	11.9	11.9	0.0	0.0	12.6	12.5	0.0	0.0	9.8	9.8	0.0	0.0	9.2	9.2	0.0	0.0
Total from A to O	100.0	98.1	1.0	0.9	100.0	98.1	1.0	0.9	100.0	97.9	0.7	1.5	100.0	98.3	0.8	0.8
Source: State Statistical Office																

c)

Table: Number of enterprises created				
Year	2000	2001	2002	2003
Number of enterprises created	1,364	1,997	1,481	1,308
Source: State Statistical Office				

d)

Table: Number of enterprises closed down				
Year	2000	2001	2002	2003
Number of closed down enterprises	25	26	62	125
Source: State Statistical Office				

e) Breakdown between public and private sectors

Value of total assets by sectors in 2000, 2001, 2002 and 2003 In thousands of MKD				
NCA	Value of total assets	Value of total assets	Value of total assets	Value of total assets
	2000	2001	2002	2003
A Agriculture, hunting and forestry				
Public non-financial corporation	40,931,627	43,646,624	51,028,658	50,733,325
National private non-financial corporation	51,212,235	39,370,001	36,761,196	30,192,001
Foreign controll non-financial corporation	43,850	308,567	476,482	514,972
B Fishing				
Public non-financial corporation	-	-	-	-
National private non-financial corporation	466,420	608,744	356,189	465,284
Foreign controll non-financial corporation	-	-	150,895	153,573
C Mining and quarrying				
Public non-financial corporation	5,618	7,881	9,109	33,911
National private non-financial corporation	8,506,670	6,500,151	7,450,406	5,808,314
Foreign controll non-financial corporation	14,203	20,609	81,086	108,948
D Manufacturing				
Public non-financial corporation	529,971	578,599	578,765	698,875
National private non-financial corporation	190,290,746	183,893,418	186,038,443	169,041,067
Foreign controll non-financial corporation	22,802,133	23,518,974	27,681,598	25,110,066
E Electricity, gas and water supply				
Public non-financial corporation	91,045,062	94,652,886	96,210,099	96,934,600
National private non-financial corporation	2,630,071	2,341,124	2,426,312	2,847,860
Foreign controll non-financial corporation	-	-	-	-
F Construction				
Public non-financial corporation	1,690,952	1,794,689	2,062,253	1,919,854
National private non-financial corporation	40,245,968	37,505,427	37,133,102	43,167,484
Foreign controll non-financial corporation	1,347,832	1,752,440	2,366,756	1,358,785
G Trade				
Public non-financial corporation	0	2,290,242	0	110,889
National private non-financial corporation	100,282,624	94,474,331	100,372,487	103,866,673
Foreign controll non-financial corporation	7,394,044	10,985,919	12,853,573	12,759,049
H Hotels and restaurants				
Public non-financial corporation	427,508	389,140	370,212	352,512
National private non-financial corporation	10,996,815	10,391,896	11,898,257	12,590,969

Foreign controll non-financial corporation	197,195	175,282	277,988	692,464
I Transport, storage and communications				
Public non-financial corporation	55,140,877	29,851,132	29,897,227	29,378,869
National private non-financial corporation	24,756,555	31,340,421	32,734,385	57,577,082
Foreign controll non-financial corporation	704,778	28,138,633	29,693,155	7,833,821
J Financial services				
Public non-financial corporation	26,470	22,455	17,776	11,454
National private non-financial corporation	92,335	81,870	84,026	576,995
Foreign controll non-financial corporation	34,026	149,034	16,563	551,407
K Real estate, renting and business activities				
Public non-financial corporation	10,008,316	17,821,329	19,960,663	21,892,769
National private non-financial corporation	13,335,662	14,473,100	15,846,531	15,923,480
Foreign controll non-financial corporation	851,277	1,437,709	22,768,840	2,400,271
L Public administration and defense; compulsory social security				
Public non-financial corporation	-	-	-	-
National private non-financial corporation	14	-	-	-
Foreign controll non-financial corporation	-	-	-	-
M Education				
Public non-financial corporation	-	-	-	-
National private non-financial corporation	325,236	322,439	436,126	496,363
Foreign controll non-financial corporation	2,637	3,179	4,372	4,910
N Health and social work				
Public non-financial corporation	140,453	230,489	267,973	95,726
National private non-financial corporation	1,026,220	805,660	982,867	1,183,745
Foreign controll non-financial corporation	161	303	283	346
O Other community, social and personal service activities				
Public non-financial corporation	3,784,486	5,960,126	6,274,806	6,284,490
National private non-financial corporation	3,238,874	3,539,692	5,257,472	5,525,148
Foreign controll non-financial corporation	33,267	37,284	40,247	463,234
Source: State Statistical Office				

f)

There are no such data available in the statistical information system.

3. Jobs

(As and where appropriate, your replies should be in both absolute and relative (percentages) figures.)

a) Total number of jobs in industry and the totals for the manufacturing sector and for the service sector

b) Number of jobs by size of enterprise

c) Number of jobs created in industry and by the manufacturing sector and services sector, by size of enterprise if possible

a)

Table: Total number of employees				
NCA (National Classification of Activities)	2000	2001	2002	2003
A Agriculture, hunting and forestry	57,070	54,673	58,232	48,183
B Fishing	395	312	260	248
C Mining and quarrying	6,794	5,797	4,965	2,231
D Manufacturing	138,868	133,706	126,201	115,278
E Electricity, gas and water supply	14,929	15,316	15,849	15,105
F Construction	32,648	30,415	31,642	34,238
G Trade	62,368	65,224	66,527	67,872
H Hotels and restaurants	14,665	14,261	14,064	13,776
I Transport, storage and communications	34,368	35,250	32,088	31,300
J Financial intermediation	5,403	5,744	6,596	6,354
K Real estate, renting and business activities	11,896	12,362	12,676	12,857
L Public administration and defense; compulsory social security	33,492	32,722	34,747	37,378
M Education	34,013	32,035	32,418	32,738
N Health and social work	28,445	27,742	28,113	28,261
O Other community, social and personal service activities	15,485	16,497	15,565	15,741
Total	490,839	482,596	479,943	461,560
Source: State Statistical Office				

b)

Table: Number of employees by size of enterprise				
NCA	2000	2001	2002	2003
Small	243,348	251,817	263,197	269,583
Medium	85,195	85,184	49,193	83,917
Large	162,296	145,595	167,553	108,060
Total	490,839	482,596	479,943	461,560
Source: State Statistical Office				

Chapter 15 Industrial policy

Table: Total number of employees according to the enterprise sector and size category																
NCA	2000				2001				2002				2003			
	Total	Small	Medium	Large	Total	Small	Medium	Large	Total	Small	Medium	Large	Total	Small	Medium	Large
A Agriculture, hunting and forestry	57,070	42,365	6,989	7,716	54,673	41,940	5,788	6,945	58,232	47,609	3,760	6,863	48,183	38,526	4,500	5,157
B Fishing	395	241	154	0	312	233	79	0	260	183	77	0	248	248	0	0
C Mining and quarrying	6,794	923	927	4,944	5,797	1,106	910	3,781	4,965	1,096	193	3,676	2,231	844	837	550
D Manufacturing	138,868	49,455	37,512	51,901	133,706	52,632	36,756	44,318	126,201	56,603	15,080	54,518	115,278	55,691	26,162	33,425
E Electricity, gas and water supply	14,929	1,396	3,077	10,456	15,316	1,672	2,787	10,857	15,849	1,667	3,963	10,219	15,105	1,306	2,825	10,974
F Construction	32,648	10,852	9,003	12,793	30,955	10,823	10,115	10,017	31,642	13,086	7,620	10,936	34,238	16,427	10,632	7,179
G Trade	62,368	53,869	4,428	4,071	65,224	55,261	6,179	3,784	66,527	57,010	3,017	6,500	67,872	58,705	4,772	4,395
H Hotels and restaurants	14,665	11,453	2,262	950	14,261	11,857	1,775	629	14,064	11,848	1,029	1,187	13,776	11,413	1,765	598
I Transport, storage and communications	34,368	13,695	4,678	15,995	35,250	15,859	4,549	14,842	32,088	13,990	738	17,360	31,300	14,046	5,881	11,373
J Financial intermediation	5,403	41	0	5,362	5,744	94	0	5,650	6,596	171	0	6,425	6,354	186	3	6,165
K Real estate, renting and business activities	11,896	8,386	1,435	2,075	12,362	8,470	1,321	2,571	12,676	9,826	419	2,431	12,857	9,456	1,853	1,548
L Public administration and defense; compulsory social security	33,492	1,461	0	32,031	32,722	1,048	5	31,669	34,747	314	0	34,433	37,378	11,576	13,287	12,515
M Education	34,013	30,866	3,147	0	32,035	30,034	1,962	39	32,418	29,474	2,944	0	32,738	32,184	554	0
N Health and social work	28,445	7,500	9,858	11,087	27,742	9,140	11,091	7,511	28,113	9,980	8,464	9,669	28,261	8,355	9,086	10,820
O Other community, social and personal service activities	15,485	10,845	1,725	2,915	16,497	11,648	1,867	2,982	15,565	10,340	1,889	3,336	15,741	10,620	1,760	3,361
Total from A to O	490,839	243,348	85,195	162,296	482,596	251,817	85,184	145,595	479,943	263,197	49,193	167,553	461,560	269,583	83,917	108,060
Source: State Statistical Office																

Chapter 15 Industrial policy

Table: Participation of employees according to the enterprise sector and size category In percent																
NCA	2000				2001				2002				2003			
	Total	Small	Medium	Large	Total	Small	Medium	Large	Total	Small	Medium	Large	Total	Small	Medium	Large
A Agriculture, hunting and forestry	11.6	8.6	1.4	1.6	11.3	8.7	1.2	1.4	12.1	9.9	0.8	1.4	10.4	8.3	1.0	1.1
B Fishing	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.1	0.0	0.0
C Mining and quarrying	1.4	0.2	0.2	1.0	1.2	0.2	0.2	0.8	1.0	0.2	0.0	0.8	0.5	0.2	0.2	0.1
D Manufacturing	28.3	10.1	7.6	10.6	27.7	10.9	7.6	9.2	26.3	11.8	3.1	11.4	25.0	12.1	5.7	7.2
E Electricity, gas and water supply	3.0	0.3	0.6	2.1	3.2	0.3	0.6	2.2	3.3	0.3	0.8	2.1	3.3	0.3	0.6	2.4
F Construction	6.7	2.2	1.8	2.6	6.4	2.2	2.1	2.1	6.6	2.7	1.6	2.3	7.4	3.6	2.3	1.6
G Trade	12.7	11.0	0.9	0.8	13.5	11.5	1.3	0.8	13.9	11.9	0.6	1.4	14.7	12.7	1.0	1.0
H Hotels and restaurants	3.0	2.3	0.5	0.2	3.0	2.5	0.4	0.1	2.9	2.5	0.2	0.2	3.0	2.5	0.4	0.1
I Transport, storage and communications	7.0	2.8	1.0	3.3	7.3	3.3	0.9	3.1	6.7	2.9	0.2	3.6	6.8	3.0	1.3	2.5
J Financial intermediation	1.1	0.0	0.0	1.1	1.2	0.0	0.0	1.2	1.4	0.0	0.0	1.3	1.4	0.0	0.0	1.3
K Real estate, renting and business activities	2.4	1.7	0.3	0.4	2.6	1.8	0.3	0.5	2.6	2.0	0.1	0.5	2.8	2.0	0.4	0.3
L Public administration and defense; compulsory social security	6.8	0.3	0.0	6.5	6.8	0.2	0.0	6.6	7.2	0.1	0.0	7.2	8.1	2.5	2.9	2.7
M Education	6.9	6.3	0.6	0.0	6.6	6.2	0.4	0.0	6.8	6.1	0.6	0.0	7.1	7.0	0.1	0.0
N Health and social work	5.8	1.5	2.0	2.3	5.7	1.9	2.3	1.6	5.9	2.1	1.8	2.0	6.1	1.8	2.0	2.3
O Other community, social and personal service activities	3.2	2.2	0.4	0.6	3.4	2.4	0.4	0.6	3.2	2.2	0.4	0.7	3.4	2.3	0.4	0.7
Total from A to O	100	49.6	17.4	33.1	100.0	52.2	17.7	30.2	100.0	54.8	10.2	34.9	100.0	58.4	18.2	23.4
Source: State Statistical Office																

c)

The statistical information system of the country has data on the total number of created jobs, but there is no breakdown between activities and enterprise size class.

4. Investment, privatisation and research and development (R&D)

(As and where appropriate, your replies should be in both absolute and relative (percentages) figures.)

a) Total investment, and investment by the manufacturing sector and the services sector

b) Foreign direct investment, on an annual basis and total. To the extent possible, distinguish between greenfield investment and privatisation-led investment

c) Origin of EU investment and that of principal non-EU countries

d) Market shares in relation to size of enterprises

e) Shares of total exports relative to size of enterprises

f) Industrial R&D expenditure broken down into government financed expenditure (not including military programmes), industry financed and financed from abroad

a)

Table: Investments by sectors In millions of MKD				
NCA (National Classification of Activities)	2000	2001	2002	2003
A and B Agriculture, hunting and forestry and fishing	447	342	442	587
C Mining and quarrying	120	314	307	115
D Manufacturing	4,483	5,049	6,645	6,427
E Electricity, gas and water supply	3,562	2,657	3,256	4,179
F Construction	4,987	1,952	2,141	2,278
G to O Services	12,665	13,932	15,438	12,881
Total	26,264	24,246	28,229	26,466
Source: State Statistical Office				

b)

Table: Foreign direct investments, annually and in total In millions of US \$						
	In millions of US \$		As % of GDP		Per capita in US\$	
	annually	cumulative	annually	cumulative	annually	Cumulative
1992	0	0	0	0	0	0
1993	0	0	0.0	0.0	0	0
1994	24	24	0.7	0.7	12	12
1995	10	34	0.2	0.8	5	17
1996	11	45	0.3	1.0	6	23
1997	30	75	0.8	2.0	15	37
1998	128	202	3.6	5.7	64	101
1999	33	235	0.9	6.4	16	117
2000	175	410	4.9	11.4	86	202
2001	442	851	12.8	24.8	217	418
2002	78	929	2.1	24.9	38	454
2003	95	1024	2.0	21.9	46	497
Source: National Bank of the Republic of Macedonia						

Table: Foreign direct investments in manufacturing and services
In millions of US \$

	1997	1998	1999	2000	2001	2002	2003
A and B Agriculture, hunting and forestry and fishing	0	0.06	0.01	0	2.31	0.42	1.59
C Mining and quarrying	0.29	0.04	0.35	9.62	2.17	0.29	0.03
D Manufacturing	21.35	100.18	22.66	32.78	35.07	24.51	12.14
E Electricity, gas and water supply	0	0	0	0	0	0	0.84
F Construction	0.01	0.2	0.27	18.9	12.32	4.01	0.07
G to O Services	3.43	26.02	7.85	110.81	362.77	37.76	45.7
Not allocated	5.01	1.23	1.56	2.41	26.89	10.83	34.19
Total	30.09	127.73	32.7	174.52	441.53	77.82	94.56

Source: National Bank of the Republic of Macedonia

See also [04 I 7](#)

c)

Table: Origin of investments from the EU and countries that are not members of the EU
In millions of US \$

	1997	1998	1999	2000	2001	2002	2003
EU	18.77	99.81	23.5	161.94	408.44	58.75	52.38
USA	0.07	0.79	0.83	3.28	15.13	4.25	2.25
Switzerland	6.64	4.5	3.95	1.3	8.69	2.6	13.61
EBRD	0	0	0	0	0	0	8.5
Other	4.61	22.63	4.42	8	9.27	12.22	17.82
Total	30.09	127.73	32.7	174.52	441.53	77.82	94.56

Source: National Bank of the Republic of Macedonia

Table: Origin of investments from the EU member countries
In millions of US \$

	1997	1998	1999	2000	2001	2002	2003
Austria	6.75	9.16	8.43	2.19	2.85	0.3	2.62
Belgium	0.02	0	0.07	0.01	0.08	0.45	0.08
Cyprus	0.1	61.58	1.58	2.85	1.39	4.98	0.15
Czech Republic	0.01	0.02	0.01	0.18	0	0	0
Germany	3.15	3.57	5.22	11.27	4.74	0.63	4.79
Denmark	0.01	0	0	0	0	0	0
Spain	0	0.05	0	0	0	0	0
France	0.4	0.05	0.43	2.04	0.2	0.05	0.21
United Kingdom	0.01	11.31	0.07	25.14	1.22	2.35	-0.48
Greece	5.26	3.71	2.74	103.17	67.22	44.94	6.62
Hungary	0	0	0.01	0.01	322.68	0	0
Ireland	0	7	0	0	0	0	0
Italy	2.62	1.35	0.63	2.5	2.71	0.4	0.7
Luxembourg	0	0.39	0	0	0	0.03	0
Malta	0	0.06	0	0	-0.05	0	0
Netherlands	0.05	1.32	0	0.55	0.58	0.66	31.61
Poland	0	0	0	0	1.17	0	0
Sweden	0.31	0.16	0	0.44	-0.07	0.08	0.06
EU Total	18.77	99.81	23.5	161.94	408.44	58.75	52.38

Source: National Bank of the Republic of Macedonia

d)

Table: Market shares according to the size of the enterprises in 2000								
	Gross value of the production in thousands of MKD		Gross value added in thousands of MKD		Number of employed and self-employed		Number of enterprises	
	In thousands of MKD	In %	In thousands of MKD	In %		In %		In %
Total economy	421,185,488	100.0	192,030,152	100.0	490,839	100.0	53,227	100.0
Small	169,513,108	40.2	83,790,414	43.6	243,348	49.6	52,222	98.1
Medium	62,773,388	14.9	26,433,311	13.8	85,195	17.4	533	1.0
Large	188,898,992	44.8	81,806,426	42.6	162,296	33.1	472	0.9
Source: State Statistical Office								

Table: Market shares according to the size of the enterprises in 2001								
	Gross value of the production in thousands of MKD		Gross value added in thousands of MKD		Number of employed and self-employed		Number of enterprises	
	In thousands of MKD	In %	In thousands of MKD	In %		In %		In %
Total economy	417,268,088	100.0	189,332,173	100.0	482,596	100.0	55,363	100.0
Small	170,206,509	40.8	86,582,616	45.7	251,817	52.2	54,320	98.1
Medium	66,382,309	15.9	28,614,940	15.1	85,184	17.7	532	1.0
Large	180,679,271	43.3	74,134,619	39.2	145,595	30.2	511	0.9
Source: State Statistical Office								

Table: Market shares according to the size of the enterprises in 2002								
	Gross value of the production in thousands of MKD		Gross value added in thousands of MKD		Number of employed and self-employed		Number of enterprises	
	In thousands of MKD	In %	In thousands of MKD	In %		BO %		BO %
Total economy	415,632,069	100%	191,960,373	100%	479,943	100%	54,143	100%
Small	184,083,588	44%	90,766,976	47%	263,197	55%	52,979	98%
Medium	38,532,801	9%	18,182,282	9%	49,193	10%	354	1%
Large	193,015,680	46%	83,011,115	43%	167,553	35%	810	1%
Source: State Statistical Office								

Table: Market shares according to the size of the enterprises in 2003								
	Gross value of the production in thousands of MKD		Gross value added in thousands of MKD		Number of employed and self-employed		Number of enterprises	
	In thousands of MKD	In %	In thousands of MKD	In %		In %		In %
Total economy	433,986,342	100.0	207,003,202	100.0	461,560	100.0	56,201	100.0
Small	208,933,832	48.1	105,028,835	50.7	269,583	58.4	55,267	98.3
Medium	78,037,286	18.0	38,006,253	18.4	83,917	18.2	475	0.8
Large	147,015,226	33.9	63,968,114	30.9	108,060	23.4	459	0.8
Source: State Statistical Office								

e)

Table: Exporters according to the size of the enterprises				
2000	Number of enterprises	In thousands of US \$	In thousands of Euros	Participation
Large	164	653,891	710,318	49.4
Medium	382	214,579	233,537	16.3
Small	2,988	389,283	421,973	29.4
Not allocated	382	64,865	70,617	4.9
Total	3,916	1,322,617	1,436,445	100.0
2001	Number of enterprises	In thousands of US \$	In thousands of Euros	Participation
Large	97	477,973	534,233	41.3
Medium	219	228,237	254,627	19.7
Small	1,920	327,970	366,692	28.4
Not allocated	286	123,327	137,749	10.7
Total	2,522	1,157,507	1,293,302	100.0
2002	Number of enterprises	In thousands of US \$	In thousands of Euros	Participation
Large	180	542,153	573,292	48.7
Medium	124	89,650	94,298	8.0
Small	1,851	426,722	448,597	38.1
Not allocated	252	57,001	62,162	5.3
Total	2,407	1,115,527	1,178,350	100.0
2003	Number of enterprises	In thousands of US \$	In thousands of Euros	Participation
Large	93	580,661	511,853	42.5
Medium	195	177,567	156,546	13.0
Small	1,886	542,486	479,259	39.8
Not allocated	312	62,538	56,155	4.7
Total	2,486	1,363,252	1,203,813	100.0
Source: State Statistical Office				

f)

The statistical information system has no such data.

5. Chief manufacturing sectors

(As and where appropriate, your replies should be in both absolute and relative (percentages) figures.)

a) Give a brief description of the chief sectors in terms of their contribution to GNP, employment, investment, the domestic market and exports. If possible, provide a breakdown by size of enterprise in each of the sectors considered.

The Macedonian industry is characterized by high concentration in several sectors. According to the data for 2003, the situation is as follows:

Eight biggest industrial sectors (one third of the total number) create 15.13% of the total GDP and employ 18.88% of the total number of employees in the Macedonian economy. The same industrial sectors are principal exporters which create for more than 80% of the export of the industry.

The food industry is the biggest industrial sector with contribution of 3.83% of the total GDP. This sector employs 3.67% of the labour force in the entire economy and create almost 16% of the export

of industrial goods. Thus, a conclusion can be drawn that the food industry is mostly oriented towards the domestic market. Exactly due to this reason, the food industry is one of the most vital industrial sectors in the recent years. Nevertheless, with the trade liberalization and the accession of the country to the WTO (World Trade Organization), as well with the signing of numerous bilateral free trade agreements, the food industry is faced with a growing competition on the domestic market, which imposes a need for its restructuring and improvement of the competitiveness. The investments, depending on the year, vary between 5% and 10% of the total investments in the economy.

The production of electricity is the second largest industrial sector with participation of 3.81% in the total GDP. Due to the capital-intensive character of this sector, it employs only 1.98% of the labour force in the entire economy. At the same time, it is the largest investor absorbing 13.54% of the total investments in the economy. As a result of the lack of electricity for domestic needs, this sector is exclusively oriented towards the domestic market.

Although the textile industry has a relatively lower participation in the total GDP (1.98), it employs 7.38% of the labour force in the entire economy and create 30% of the total industrial export. The textile industry is mostly export oriented and is the second biggest export industry. Due to the labour-intensive character of this industry the investments are relatively small and amount to 1.63% of the total investments in the economy.

The production of basic metals, although it contributes 1.09% of the total GDP of the industry, represents the largest export sector with a participation of 30% in the total industrial export. This sector is exclusively export oriented and is almost entirely in foreign ownership.

a)

Value added in industry								
NCA (National Classification of Activities)	In millions of MKD				In percent			
	2000	2001	2002	2003	2000	2001	2002	2003
10 Mining of coal and lignite, extraction of peat	50	19	10	-24	0.02	0.01	0.00	-0.01
11 Extraction of crude oil and natural gas; service activities incidental to oil and gas extraction, excluding surveying	1	7	9	11	0.00	0.00	0.00	0.00
13 Mining of metal ores	864	504	12	72	0.37	0.22	0.00	0.03
14 Other mining and quarrying	941	781	930	929	0.40	0.33	0.38	0.37
15 Manufacture of food products and beverages	10,152	10,184	10,985	9,706	4.29	4.36	4.50	3.83
16 Manufacture of tobacco products	3,054	2,443	2,263	1,731	1.29	1.04	0.93	0.68
17 Manufacture of textiles	1,032	1,086	1,012	963	0.44	0.46	0.41	0.38
18 Manufacture of clothes;, dressing and dyeing of fur	4,700	4,948	4,757	4,960	1.99	2.12	1.95	1.96
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	545	574	613	559	0.23	0.25	0.25	0.22
20 Manufacture of wood and of products of wood and cork, except furniture; production of articles of straw and plaiting materials	534	444	621	624	0.23	0.19	0.25	0.25
21 Manufacture of pulp, paper and paper products	547	577	605	584	0.23	0.25	0.25	0.23
22 Publishing, printing and reproduction of recorded media	2,127	1,979	2,108	2,279	0.90	0.85	0.86	0.90

23 Manufacture of coke, refined petroleum products and nuclear fuel	1,584	1,744	963	1,479	0.67	0.75	0.39	0.58
24 Manufacture of chemicals and chemical products	2,266	2,642	2,233	2,594	0.96	1.13	0.92	1.02
25 Manufacture of rubber and plastic products	708	831	1,290	1,190	0.30	0.36	0.53	0.47
26 Manufacture of other non-metallic mineral products	4,521	3,847	3,208	3,633	1.91	1.65	1.32	1.43
27 Manufacture of basic metals	2,629	1,956	1,449	2,758	1.11	0.84	0.59	1.09
28 Manufacture of fabricated metal products, except machinery and equipment	1,924	1,953	2,494	2,757	0.81	0.84	1.02	1.09
29 Manufacture of machinery and equipment n.e.c. (not elsewhere classified)	688	506	401	441	0.29	0.22	0.16	0.17
30 Manufacture of office machinery and computers	293	351	229	290	0.12	0.15	0.09	0.11
31 Manufacture of electrical machinery and apparatus n.e.c.	1,590	1,424	947	1,102	0.67	0.61	0.39	0.43
32 Manufacture of radio, television and communication equipment and apparatus	149	113	140	112	0.06	0.05	0.06	0.04
33 Manufacture of precision, medical and optical instruments, watches and clocks	131	155	194	185	0.06	0.07	0.08	0.07
34 Manufacture of motor vehicles, trailers and semi-trailers	583	590	442	531	0.25	0.25	0.18	0.21
35 Manufacture of other transport equipment	254	281	143	212	0.11	0.12	0.06	0.08
36 Manufacture of furniture; manufacturing n.e.c.	819	854	692	766	0.35	0.37	0.28	0.30
37 Recycling	95	105	136	192	0.04	0.04	0.06	0.08
40 Electricity, gas, steam and hot water supply	8,235	8,074	7,193	9,657	3.48	3.45	2.95	3.81
41 Collecting, filtering and distribution of water	2,146	1,968	1,953	2,122	0.91	0.84	0.80	0.84
Total Industry	53,163	50,940	48,032	52,418	22.49	21.78	19.69	20.68
GDP	236,387	233,837	243,927	253,454	100.00	100.00	100.00	100.00
Source: State Statistical Office								

Employees in the industry								
NCA	Employees				In percent			
	2000	2001	2002	2003	2000	2001	2002	2003
10 Mining of coal and lignite, extraction of peat	146	139	91	111	0.03	0.03	0.02	0.02
11 Extraction of crude oil and natural gas; service activities incidental to oil and gas extraction, excluding surveying	6	10	12	11	0.00	0.00	0.00	0.00
13 Mining of metal ores	3,117	3,120	2,589	158	0.64	0.65	0.54	0.03
14 Other mining and quarrying	3,525	2,528	2,273	1,951	0.72	0.52	0.47	0.42
15 Manufacture of food products and beverages	20,096	19,889	19,684	16,938	4.09	4.12	4.10	3.67
16 Manufacture of tobacco products	6,112	5,667	5,021	4,828	1.25	1.17	1.05	1.05
17 Manufacture of textiles	9,702	7,376	6,292	5,750	1.98	1.53	1.31	1.25
18 Manufacture of clothes; dressing and dyeing of fur	32,148	33,161	31,974	34,084	6.55	6.87	6.66	7.38
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	5,119	4,331	4,294	2,899	1.04	0.90	0.89	0.63
20 Manufacture of wood and of products of wood and cork, except furniture; production of articles of straw and plaiting materials	2,968	3,144	3,869	3,400	0.60	0.65	0.81	0.74
21 Manufacture of pulp, paper and paper products	1,909	1,924	1,912	1,798	0.39	0.40	0.40	0.39
22 Publishing, printing and reproduction of recorded media	5,652	5,715	4,559	4,046	1.15	1.18	0.95	0.88
23 Manufacture of coke, refined petroleum products and nuclear fuel	1,226	1,122	1,083	1,055	0.25	0.23	0.23	0.23
24 Manufacture of chemicals and chemical products	6,615	2,875	2,814	2,630	1.35	0.60	0.59	0.57
25 Manufacture of rubber and plastic products	2,693	6,188	5,714	5,581	0.55	1.28	1.19	1.21
26 Manufacture of other non-metallic mineral products	7,324	7,642	6,637	4,390	1.49	1.58	1.38	0.95
27 Manufacture of basic metals	9,380	8,320	6,990	6,340	1.91	1.72	1.46	1.37
28 Manufacture of fabricated metal products, except machinery and equipment	8,108	9,439	10,237	9,590	1.65	1.96	2.13	2.08
29 Manufacture of machinery and equipment n.e.c. (not elsewhere classified)	2,779	2,813	2,636	1,799	0.57	0.58	0.55	0.39
30 Manufacture of office machinery and computers	465	525	433	443	0.09	0.11	0.09	0.10
31 Manufacture of electrical machinery and apparatus n.e.c.	6,935	4,909	3,756	3,007	1.41	1.02	0.78	0.65
32 Manufacture of radio, television and communication equipment and apparatus	421	345	470	351	0.09	0.07	0.10	0.08
33 Manufacture of precision, medical and optical instruments, watches and clocks	348	319	299	272	0.07	0.07	0.06	0.06
34 Manufacture of motor vehicles, trailers and semi-trailers	3,833	2,675	2,374	1,248	0.78	0.55	0.49	0.27
35 Manufacture of other transport equipment	761	768	742	713	0.16	0.16	0.15	0.15
36 Manufacture of furniture; manufacturing n.e.c.	3,878	4,206	4,003	3,768	0.79	0.87	0.83	0.82
37 Recycling	396	353	409	347	0.08	0.07	0.09	0.08
40 Electricity, gas, steam and hot water supply	8,724	9,116	9,920	9,152	1.78	1.89	2.07	1.98
41 Collecting, filtering and distribution of water	6,205	6,200	5,929	5,953	1.26	1.28	1.24	1.29
Total industry	160,591	154,819	147,015	132,614	32.72	32.08	30.63	28.73
Total in the economy	490,839	482,596	479,943	461,560	100.00	100.00	100.00	100.00
Source: State Statistical Office								

Investments in the industry								
NCA	In thousands of MKD				In percent			
	2000	2001	2002	2003	2000	2001	2002	2003
10 Mining of coal and lignite, extraction of peat	349	0	0	0	0.00	0.00	0.00	0.00
11 Extraction of crude oil and natural gas; service activities incidental to oil and gas extraction, excluding surveying	0	0	0	0	0.00	0.00	0.00	0.00
13 Mining of metal ores	86,477	85,381	0	0	0.33	0.35	0.00	0.00
14 Other mining and quarrying	33,232	228,977	306,700	114,573	0.13	0.94	1.09	0.43
15 Manufacture of food products and beverages	1,062,056	799,674	2,030,648	1,718,672	4.04	3.30	7.19	6.49
16 Manufacture of tobacco products	188,339	389,238	136,042	225,389	0.72	1.61	0.48	0.85
17 Manufacture of textiles	160,462	155,396	136,780	108,858	0.61	0.64	0.48	0.41
18 Manufacture of clothes; dressing and dyeing of fur	321,652	48,120	386,214	430,440	1.22	0.20	1.37	1.63
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	74,119	24,301	47,279	12,040	0.28	0.10	0.17	0.05
20 Manufacture of wood and of products of wood and cork, except furniture; production of articles of straw and plaiting materials	19,099	27,197	25,637	28,837	0.07	0.11	0.09	0.11
21 Manufacture of pulp, paper and paper products	38,740	24,642	13,069	65,243	0.15	0.10	0.05	0.25
22 Publishing, printing and reproduction of recorded media	103,032	79,645	175,186	131,005	0.39	0.33	0.62	0.49
23 Manufacture of coke, refined petroleum products and nuclear fuel	511,793	826,027	1,724,455	588,747	1.95	3.41	6.11	2.22
24 Manufacture of chemicals and chemical products	164,767	965,734	454,255	161,650	0.63	3.98	1.61	0.61
25 Manufacture of rubber and plastic products	47,290	85,603	93,107	62,104	0.18	0.35	0.33	0.23
26 Manufacture of other non-metallic mineral products	666,211	547,812	528,810	918,758	2.54	2.26	1.87	3.47
27 Manufacture of basic metals	565,959	559,732	398,431	355,400	2.15	2.31	1.41	1.34
28 Manufacture of fabricated metal products, except machinery and equipment	265,277	324,268	100,748	103,323	1.01	1.34	0.36	0.39
29 Manufacture of machinery and equipment n.e.c. (not elsewhere classified)	21,898	43,055	59,912	84,524	0.08	0.18	0.21	0.32
30 Manufacture of office machinery and computers	18,723	50,805	91,219	40,590	0.07	0.21	0.32	0.15
31 Manufacture of electrical machinery and apparatus n.e.c.	153,747	39,131	44,941	64,912	0.59	0.16	0.16	0.25
32 Manufacture of radio, television and communication equipment and apparatus	3,764	3,195	4,559	3,296	0.01	0.01	0.02	0.01
33 Manufacture of precision, medical and optical instruments, watches and clocks	7,628	3,334	56,874	93	0.03	0.01	0.20	0.00
34 Manufacture of motor vehicles, trailers and semi-trailers	3,397	21,492	35,146	1,250,184	0.01	0.09	0.12	4.72
35 Manufacture of other transport equipment	26,971	6,245	6,598	12,173	0.10	0.03	0.02	0.05
36 Manufacture of furniture; manufacturing n.e.c.	58,026	23,087	86,751	49,211	0.22	0.10	0.31	0.19
37 Recycling	210	1,462	8,815	11,272	0.00	0.01	0.03	0.04
40 Electricity, gas, steam and hot water supply	3,114,612	2,414,867	3,068,545	3,584,829	11.86	9.96	10.87	13.54
41 Collecting, filtering and distribution of water	447,815	242,066	187,877	593,984	1.71	1.00	0.67	2.24

Total investments in industry	8,165,645	8,020,486	10,208,598	10,720,107	31.09	33.08	36.16	40.51
Total investments in the economy	26,263,577	24,245,865	28,229,178	26,466,082	100.00	100.00	100.00	100.00
Source: State Statistical Office								

Breakdown by size of enterprise in the main industrial sectors

Food industry			
Size of the enterprise	Gross value added	Number of employees	Number of enterprises
	In thousands of MKD		
Small	4,074,172	8,001	1,497
Medium	694,083	1,104	19
Large	6,217,159	10,580	36
Total	10,985,415	19,685	1,552
	In percent		
Small	37%	41%	96%
Medium	6%	6%	1%
Large	57%	54%	2%

Textile industry			
Size of the enterprise	Gross value added	Number of employees	Number of enterprises
	In thousands of MKD		
Small	3,400,006	23,574	1,716
Medium	607,036	4,302	17
Large	1,761,899	10,390	23
Total	5,768,941	38,266	1,756
	In percent		
Small	59%	62%	98%
Medium	11%	11%	1%
Large	31%	27%	1%

Basic metals industry			
Size of the enterprise	Gross value added	Number of employees	Number of enterprises
	In thousands of MKD		
Small	205,877	417	146
Medium	148,320	134	2
Large	1,094,389	6,439	8
Total	1,448,586	6,990	156
	In percent		
Small	14%	6%	94%
Medium	10%	2%	1%
Large	76%	92%	5%

Production of electricity			
Size of the enterprise	Gross value added	Number of employees	Number of enterprises
	In thousands of MKD		
Small	0	0	0
Medium	0	0	0
Large	6,798,469	9,464	1
Total	6,798,469	9,464	1
	In percent		
Small	0%	0%	0%
Medium	0%	0%	0%
Large	100%	100%	100%

Section II INDUSTRIAL SECTORS AND SUB-SECTORS

A. Raw materials, non-ferrous metals, ferro-alloys, cement, glass, ceramics, paper and wood, publishing industry

Raw materials, non-ferrous metals, ferro-alloys, cement, glass, ceramics, paper and wood, publishing industry include:

- 10 Mining of coal and lignite; extraction of peat
- 13 Mining of metal ores
- 14 Other mining and quarrying
- 20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
- 21 Manufacture of pulp, paper and paper products
- 22 Publishing, printing and reproduction of recorded media
- 26 Manufacture of other non-metallic mineral products
- 27 Manufacture of basic metals

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity

NACE	Supplementary Unit	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	t	8,267,485	8,267,485	8,267,485	8,267,485
13 Mining of metal ores	t	5,042,924	5,042,924	5,042,924	5,042,924
14 Other mining and quarrying	t	6,699,065	7,630,618	7,481,881	7,163,718
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	m3	136,620	126,090	154,992	160,695
21 Manufacture of pulp, paper and paper products	t	63,729	66,208	64,867	69,666
22 Publishing, printing and reproduction of recorded media	t	17,481	16,053	14,322	18,684
26 Manufacture of other non-metallic mineral products	Thous.PCE	690,649	402,705	410,631	359,286
	m2	12,991,379	12,987,013	13,007,135	12,997,344
	t	2,155,024	2,273,400	2,244,059	2,187,558
27 Manufacture of basic metals	t	1,476,150	1,798,155	2,159,024	2,298,521

Source: State Statistical Office

Table: Utilization Rate of the Installed Production Capacity
In percent

NACE	Supplementary Unit	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	t	91.1	98.6	91.7	88.0
13 Mining of metal ores	t	95.1	66.7	54.0	8.2
14 Other mining and quarrying	t	46.6	36.3	39.7	37.8
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	m3	55.2	43.9	43.4	51.9
21 Manufacture of pulp, paper and paper products	t	52.7	50.9	54.2	52.2
22 Publishing, printing and reproduction of recorded media	t	39.3	41.0	43.8	35.7
26 Manufacture of other non-metallic mineral products	Thous.PCE	91.8	80.9	86.7	86.7
	m2	23.2	30.8	57.2	75.1
	t	56.3	42.2	58.5	57.8
27 Manufacture of basic metals	t	70.6	58.5	44.0	51.5

Source: State Statistical Office

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	t	7,529,178	8,151,740	7,580,220	7,272,262
13 Mining of metal ores	t	4,795,821	3,364,730	2,721,069	412,434
14 Other mining and quarrying	t	3,119,172	2,771,804	2,971,073	2,708,107
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	m3	75,369	55,319	67,251	83,394
21 Manufacture of pulp, paper and paper products	t	33,599	33,674	35,187	36,383
22 Publishing, printing and reproduction of recorded media	t	6,866	6,574	6,274	6,673
26 Manufacture of other non-metallic mineral products	Thous.PCE	634,056	325,857	355,844	311,380
	m2	3,014,000	4,000,000	7,440,081	9,761,005
	t	1,213,690	958,956	1,313,071	1,264,238
27 Manufacture of basic metals	t	1,042,285	1,051,941	949,580	1,183,937
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	4,480,544	4,023,593	3,918,173	3,356,772
13 Mining of metal ores	396,507	553,318	423,541	69,019
14 Other mining and quarrying	1,803,322	1,760,367	1,794,128	1,762,942
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	798,719	480,366	594,142	633,809
21 Manufacture of pulp, paper and paper products	1,689,261	1,310,352	1,364,120	1,540,101
22 Publishing, printing and reproduction of recorded media	831,929	1,839,236	1,013,616	857,360
26 Manufacture of other non-metallic mineral products	7,819,414	7,397,438	8,816,715	8,262,324
27 Manufacture of basic metals	21,589,835	17,672,843	15,075,883	17,801,209
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	4,881,449	4,351,226	4,370,752	4,351,814
13 Mining of metal ores	-134,411	4,703	49,398	91,701
14 Other mining and quarrying	1,719,976	1,696,510	1,697,089	1,397,485
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	2,999,491	2,150,372	2,742,476	2,609,815
21 Manufacture of pulp, paper and paper products	4,386,736	3,818,481	4,259,975	4,391,343
22 Publishing, printing and reproduction of recorded media	1,165,874	2,389,704	1,464,146	1,385,100
26 Manufacture of other non-metallic mineral products	7,833,675	6,909,663	9,320,706	9,618,968
27 Manufacture of basic metals	19,715,383	14,731,801	13,858,977	14,596,522
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	91.8	92.5	89.6	77.1
13 Mining of metal ores	218.3	-3,238.8	61.9	-20.4
14 Other mining and quarrying	67.4	70.5	66.6	69.4
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	7.0	5.5	13.8	16.6
21 Manufacture of pulp, paper and paper products	28.4	24.5	23.8	27.7
22 Publishing, printing and reproduction of recorded media	66.8	75.2	66.3	59.2
26 Manufacture of other non-metallic mineral products	68.6	70.7	70.5	66.7
27 Manufacture of basic metals	73.2	77.1	69.1	61.4
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	8,442	20,769	34,961	132,772
13 Mining of metal ores	21	20	5	2,417
14 Other mining and quarrying	28,328	21,221	20,915	26,550
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	7,439	9,985	12,451	13,386
21 Manufacture of pulp, paper and paper products	15,690	14,814	20,435	22,215
22 Publishing, printing and reproduction of recorded media	447	528	639	642
26 Manufacture of other non-metallic mineral products	30,857	25,712	36,310	49,364
27 Manufacture of basic metals	30,504	25,661	24,766	27,963
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	811	2,169	2,179	8,537
13 Mining of metal ores	5	5	2	95
14 Other mining and quarrying	2,708	2,020	1,940	2,127
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	4,742	10,154	8,249	7,032
21 Manufacture of pulp, paper and paper products	18,375	16,444	21,815	22,158
22 Publishing, printing and reproduction of recorded media	3,209	6,252	4,055	5,622
26 Manufacture of other non-metallic mineral products	13,094	11,032	16,235	17,189
27 Manufacture of basic metals	23,042	14,539	22,391	22,956
Source: State Statistical Office				

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	62,284	33,571	84,364	138,117
13 Mining of metal ores	16,576	10,091	3,342	50,393
14 Other mining and quarrying	100,453	91,955	116,519	70,147
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	130,086	81,716	119,552	112,088
21 Manufacture of pulp, paper and paper products	38,088	37,251	36,413	34,976
22 Publishing, printing and reproduction of recorded media	633	609	805	760
26 Manufacture of other non-metallic mineral products	168,832	120,576	167,622	227,260
27 Manufacture of basic metals	170,912	112,536	159,376	247,937

Source: State Statistical Office

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	5,818	3,211	5,049	7,683
13 Mining of metal ores	2,624	2,620	432	1,685
14 Other mining and quarrying	6,523	6,204	7,356	4,842
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	41,230	23,195	30,519	28,470
21 Manufacture of pulp, paper and paper products	33,519	31,044	31,598	29,838
22 Publishing, printing and reproduction of recorded media	3,176	3,520	4,037	3,581
26 Manufacture of other non-metallic mineral products	27,679	22,338	28,826	35,026
27 Manufacture of basic metals	69,549	43,982	52,303	69,355

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	Countries
10 Mining of coal and lignite; extraction of peat	Greece, Serbia and Montenegro and Columbia
13 Mining of metal ores	Serbia and Montenegro, Turkey and Morocco
14 Other mining and quarrying	Syria, Greece, and Bosnia and Herzegovina
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	Bulgaria, Slovenia and Serbia and Montenegro
21 Manufacture of pulp, paper and paper products	Slovenia, Serbia and Montenegro and Austria
22 Publishing, printing and reproduction of recorded media	Italy, United Kingdom and Germany
26 Manufacture of other non-metallic mineral products	Serbia and Montenegro, Bulgaria and Croatia
27 Manufacture of basic metals	Ukraine, Serbia and Montenegro and Bulgaria

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination**Table: Exports to the EU (In tons)**

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	-	-	-	-
13 Mining of metal ores	-	-	-	1,374
14 Other mining and quarrying	20,858	40,645	36,100	41,797
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	6,893	7,096	4,688	4,255
21 Manufacture of pulp, paper and paper products	416	1,080	1,298	347
22 Publishing, printing and reproduction of recorded media	16	69	97	97
26 Manufacture of other non-metallic mineral products	2,169	10,566	11,477	13,681
27 Manufacture of basic metals	538,729	405,160	278,967	348,747

Source: State Statistical Office

Table: Exports to the EU
In thousands of Euro

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	-	-	-	-
13 Mining of metal ores	-	-	-	358
14 Other mining and quarrying	3,976	5,267	6,777	8,866
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	2,297	2,151	1,719	1,746
21 Manufacture of pulp, paper and paper products	383	571	518	210
22 Publishing, printing and reproduction of recorded media	133	258	355	250
26 Manufacture of other non-metallic mineral products	1,457	7,148	7,181	5,140
27 Manufacture of basic metals	214,548	188,915	140,928	157,134

Source: State Statistical Office

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	962	-	2	85
13 Mining of metal ores	56,928	65,365	53,448	7,007
14 Other mining and quarrying	209,081	59,414	59,457	119,489
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	11,689	5,104	3,567	3,530
21 Manufacture of pulp, paper and paper products	11,205	9,430	9,890	10,664
22 Publishing, printing and reproduction of recorded media	369	99	197	113
26 Manufacture of other non-metallic mineral products	483,732	502,726	399,749	267,365
27 Manufacture of basic metals	515,989	240,998	192,216	269,907

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	28	-	1	2
13 Mining of metal ores	12,154	12,200	7,457	1,070
14 Other mining and quarrying	6,652	4,000	4,119	4,082
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	7,593	3,856	2,000	1,884
21 Manufacture of pulp, paper and paper products	7,031	5,636	5,284	5,145
22 Publishing, printing and reproduction of recorded media	985	565	563	519
26 Manufacture of other non-metallic mineral products	38,921	35,887	30,221	24,998
27 Manufacture of basic metals	199,533	114,545	92,628	106,335

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
10 Mining of coal and lignite; extraction of peat	Serbia and Montenegro and Bulgaria
13 Mining of metal ores	Bulgaria, Panama and Serbia and Montenegro
14 Other mining and quarrying	Greece, Serbia and Montenegro and Italy
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	Serbia and Montenegro, Greece and Italy
21 Manufacture of pulp, paper and paper products	Serbia and Montenegro, Bulgaria and Slovenia
22 Publishing, printing and reproduction of recorded media	Serbia and Montenegro, Greece and Albania
26 Manufacture of other non-metallic mineral products	Serbia and Montenegro, Greece and Slovenia
27 Manufacture of basic metals	Germany, Italy and Serbia and Montenegro

Source: State Statistical Office

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	0.0	-	0.0	0.0
13 Mining of metal ores	185.9	134.1	107.7	127.1
14 Other mining and quarrying	35.8	32.1	37.0	45.0
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	75.1	76.1	38.2	35.1
21 Manufacture of pulp, paper and paper products	26.7	28.9	25.9	21.3
22 Publishing, printing and reproduction of recorded media	8.2	2.7	5.5	5.5
26 Manufacture of other non-metallic mineral products	31.4	35.4	25.9	22.4
27 Manufacture of basic metals	116.2	104.4	94.7	91.0
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	9.0	8.1	11.6	29.6
13 Mining of metal ores	40.1	28.9	6.3	160.0
14 Other mining and quarrying	31.1	28.4	31.6	24.3
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	349.4	422.9	397.9	343.3
21 Manufacture of pulp, paper and paper products	186.5	220.7	238.8	206.9
22 Publishing, printing and reproduction of recorded media	46.6	32.3	48.7	65.9
26 Manufacture of other non-metallic mineral products	31.7	27.5	31.2	38.7
27 Manufacture of basic metals	26.0	20.1	30.2	31.9
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	96	55	33	0
13 Mining of metal ores	1,587	1,025	354	195
14 Other mining and quarrying	2,025	1,573	1,869	1,780
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	1,603	1,371	1,635	1,559
21 Manufacture of pulp, paper and paper products	1,986	1,863	1,843	1,751
22 Publishing, printing and reproduction of recorded media	4,622	4,355	4,718	4,844
26 Manufacture of other non-metallic mineral products	8,360	7,742	7,899	7,558
27 Manufacture of basic metals	13,589	9,461	6,334	11,977
Source: State Statistical Office				

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	50	19	10	-24
13 Mining of metal ores	864	504	12	72
14 Other mining and quarrying	941	781	930	929
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	534	444	621	624
21 Manufacture of pulp, paper and paper products	547	577	605	584
22 Publishing, printing and reproduction of recorded media	2,127	1,979	2,108	2,279
26 Manufacture of other non-metallic mineral products	4,521	3,847	3,208	3,633
27 Manufacture of basic metals	2,629	1,956	1,449	2,758

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	0.1	0.0	0.0	0.0
13 Mining of metal ores	1.0	0.7	0.3	0.1
14 Other mining and quarrying	1.3	1.1	1.4	1.3
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	1.1	1.0	1.2	1.1
21 Manufacture of pulp, paper and paper products	1.3	1.4	1.4	1.3
22 Publishing, printing and reproduction of recorded media	3.1	3.2	3.6	3.5
26 Manufacture of other non-metallic mineral products	5.5	5.6	5.9	5.4
27 Manufacture of basic metals	9.0	6.9	4.8	8.6

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	0.1	0.0	0.0	0.0
13 Mining of metal ores	1.6	1.0	0.0	0.1
14 Other mining and quarrying	1.8	1.5	1.9	1.8
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	1.0	0.9	1.3	1.2
21 Manufacture of pulp, paper and paper products	1.0	1.1	1.3	1.1
22 Publishing, printing and reproduction of recorded media	4.0	3.9	4.4	4.3
26 Manufacture of other non-metallic mineral products	8.5	7.6	6.7	6.9
27 Manufacture of basic metals	4.9	3.8	3.0	5.3

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	7	6	6	4
13 Mining of metal ores	4	4	4	3
14 Other mining and quarrying	53	57	65	67
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	773	715	998	1,013
21 Manufacture of pulp, paper and paper products	193	194	189	192
22 Publishing, printing and reproduction of recorded media	632	658	678	653
26 Manufacture of other non-metallic mineral products	248	225	172	164
27 Manufacture of basic metals	82	77	156	163

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	146	139	91	111
13 Mining of metal ores	3,117	3,120	2,589	158
14 Other mining and quarrying	3,525	2,528	2,273	1,951
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	2,968	3,144	3,869	3,400
21 Manufacture of pulp, paper and paper products	1,909	1,924	1,912	1,798
22 Publishing, printing and reproduction of recorded media	5,652	5,715	4,559	4,046
26 Manufacture of other non-metallic mineral products	7,324	7,642	6,637	4,390
27 Manufacture of basic metals	9,380	8,320	6,990	6,340
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industries In percent				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	0.1	0.1	0.1	0.1
13 Mining of metal ores	1.9	2.0	1.8	0.1
14 Other mining and quarrying	2.2	1.6	1.5	1.5
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	1.8	2.0	2.6	2.6
21 Manufacture of pulp, paper and paper products	1.2	1.2	1.3	1.4
22 Publishing, printing and reproduction of recorded media	3.5	3.7	3.1	3.1
26 Manufacture of other non-metallic mineral products	4.6	4.9	4.5	3.3
27 Manufacture of basic metals	5.8	5.4	4.8	4.8
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
10 Mining of coal and lignite; extraction of peat	S	96	7	55	6	33	6	28	4
	M	-	-	-	-	-	-	-	-
	L	-	-	-	-	-	-	-	-
13 Mining of metal ores	S	41	1	26	1	85	2	195	3
	M	-	-	-	-	-	-	-	-
	L	1,546	3	999	3	269	2	-	-
14 Other mining and quarrying	S	724	45	452	48	634	58	571	59
	M	469	6	666	7	242	2	493	7
	L	832	2	455	2	992	5	716	1
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	S	1,294	768	1,221	711	1,536	995	1,501	1,010
	M	309	5	149	4	23	1	58	3
	L	-	-	-	-	76	2	-	-
21 Manufacture of pulp, paper and paper products	S	1,074	191	860	191	913	186	931	189
	M	-	-	139	1	229	1	201	2
	L	911	2	865	2	701	2	619	1
22 Publishing, printing and reproduction of recorded media	S	2,699	621	2,496	646	3,251	670	3,291	646
	M	1,372	11	1,432	11	872	3	944	7
	L	551	0	427	1	594	5	609	0
26 Manufacture of other non-metallic mineral products	S	1,968	232	1,630	209	1,238	155	1,144	149
	M	2,592	12	1,895	10	657	5	1,679	10
	L	3,801	4	4,217	6	6,004	12	4,735	5
27 Manufacture of basic metals	S	278	71	234	64	329	146	189	152
	M	264	3	665	4	740	2	98	2
	L	13,046	8	8,561	9	5,264	8	11,691	9
Source: State Statistical Office S-Small M-Medium L-Large									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	349	-	-	-
13 Mining of metal ores	86,477	85,381	-	-
14 Other mining and quarrying	33,232	228,977	306,700	114,573
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	19,099	27,197	25,637	28,837
21 Manufacture of pulp, paper and paper products	38,740	24,642	13,069	65,112
22 Publishing, printing and reproduction of recorded media	103,032	79,645	175,186	131,005
26 Manufacture of other non-metallic mineral products	666,211	547,812	528,810	918,004
27 Manufacture of basic metals	565,959	559,732	398,431	355,400
Source: State Statistical Office				

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	36,251	33,623	31,070	32,751
13 Mining of metal ores	2,183,846	1,889,507	1,021,771	15,027
14 Other mining and quarrying	2,019,212	1,151,724	1,360,870	1,421,995
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	1,059,093	1,060,303	882,689	1,036,278
21 Manufacture of pulp, paper and paper products	1,045,031	1,192,123	1,044,451	1,071,950
22 Publishing, printing and reproduction of recorded media	2,544,511	2,700,136	2,238,382	2,150,112
26 Manufacture of other non-metallic mineral products	6,553,827	7,008,117	6,431,082	5,406,028
27 Manufacture of basic metals	11,992,036	10,802,676	9,815,268	9,325,875

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments
In thousands of US Dollars

NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	-	-	152	673
13 Mining of metal ores	-	-	-	-
14 Other mining and quarrying	9,347	1,687	288	26
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	-	-	-	-
21 Manufacture of pulp, paper and paper products	1,065	101	144	-
22 Publishing, printing and reproduction of recorded media	2,692	905	155	1,119
26 Manufacture of other non-metallic mineral products	3,043	4,045	3,626	344
27 Manufacture of basic metals	5,605	1,863	48	749

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises

NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
10 Mining of coal and lignite; extraction of peat	BRIK	17,652	33	Private
	DRIMKOL-LIGNIT	8,550	15	Private
	DRIMKOL	0	57	Private
13 Mining of metal ores	ZLETOVO	82,096**	1462**	Private
	SASA	187,291**	1126**	Private
	RUDARSTVO-TAJMISTA	51,396	156	Private
14 Other mining and quarrying	FHL MERMEREN KOMBINAT	716,372	550	Private
	ARMABETON	162,182	101	Private
	OGRAZDEN	138,074	182	Private
	BANJANI	89,437	196	Private
	MISA-MG	78,081	14	Private
	SILEKS	53,251	180	Private
	OPALIT	37,480	109	Private
20 Manufacture of wood and of products of wood and cork, except furniture;	BORDING	63,539	59	Private
	NAPREDOK	47,510	95	Private

manufacture of articles of straw and plaiting materials	STRASO PINDZUR TRESKA	14,552	152	Public
	PRVI MAJ	37,726	85	Private
	LEDER	33,979	22	Private
	JELAK STOLARIJA 2002	18,275	86	Private
	INTER-EKSPORT	25,217	20	Private
21 Manufacture of pulp, paper and paper products	KOMUNA-AD	619,003	430	Private
	FUSTELARKO-BOREC	157,382	321	Private
	KOSTA ABRAS	44,086	65	Private
	MISKOM	52,924	34	Private
	AMBALAZA	11,964	57	Private
	KARTON TEKST	25,141	49	Private
22 Publishing, printing and reproduction of recorded media	KIRO D. DANDARO	538,397	147	Private
	PROSVETNO DELO	211,376	64	Private
	KRUG	203,602	105	Private
	EVROPA 92	202,694	86	Private
	11 OKTOMVRI	163,901	203	Private
	GOCE DELCEV	150,275**	206**	Private
	MLADOST	15,137	113	Private
	NAPREDOK	70,844	107	Private
26 Manufacture of other non-metallic mineral products	USJE	3,492,200	603	Private
	KNAUF RADIKA	835,729	179	Private
	KIRO KUCUK	378,667	664	Private
	BIM AD	352,848	102	Private
	MAKEDONIJA	231,200	311	Private
	TIPO	120,485**	757**	Private
	SIGURNOSNO STAKLO	37,347**	77**	Private
	MAKEDONIJA STAKLO	22,583	74	Private
	MAKEDONIJA	231,200	311	Private
	CRVENA ZVEZDA	132,258	196	Private
	VILA ZORA	44,556	40	Private
	TONDAX	205,450	195	Private
	KIK	180,658	196	Private
	8MI NOEMVRI*	114,115	142	Private
	DZUMAJLIJA	119,624	108	Private
	ELENICA	99,918	133	Private
	VRATNICA	84,527	109	Private
27 Manufacture of basic metals	MAKSTIL	3,191,473	850	Private
	FENI INDUSTRI	2,945,310	753	Private
	SILMAK	2,027,465	743	Private
	11 OKTOMVRI	1,334,800	1,036	Private
	IGM - TREJD	902,857	53	Private
	RZ VALALNICA ZA LENTI	147,089	474	Private
	ZELEZNIK	77,022	89	Private
	LADNA VALALNICA	726,686	1025	Private
	SEMKORP	129,332	608	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	342.6	135.4	109.6	-212.5
13 Mining of metal ores	277.2	161.6	4.5	457.7
14 Other mining and quarrying	267.0	309.1	409.2	476.0
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	180.0	141.4	160.6	183.6
21 Manufacture of pulp, paper and paper products	286.7	300.1	316.6	325.1
22 Publishing, printing and reproduction of recorded media	376.3	346.3	462.3	563.3
26 Manufacture of other non-metallic mineral products	617.3	503.4	483.3	827.5
27 Manufacture of basic metals	280.3	235.1	207.2	435.0
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	22	28	21	25
13 Mining of metal ores	822	766	528	24
14 Other mining and quarrying	795	644	637	573
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	384	382	405	402
21 Manufacture of pulp, paper and paper products	445	447	470	447
22 Publishing, printing and reproduction of recorded media	1,705	1,853	1,658	1,404
26 Manufacture of other non-metallic mineral products	3,254	2,795	2,637	1,836
27 Manufacture of basic metals	2,778	2,371	1,594	2,080
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
10 Mining of coal and lignite; extraction of peat	46	36	23	51
13 Mining of metal ores	723	520	343	123
14 Other mining and quarrying	1,084	791	938	851
20 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	1,068	926	1,014	934
21 Manufacture of pulp, paper and paper products	1,438	1,286	1,238	1,167
22 Publishing, printing and reproduction of recorded media	2,495	2,376	2,610	2,565
26 Manufacture of other non-metallic mineral products	3,839	3,895	4,692	3,925
27 Manufacture of basic metals	10,960	7,505	4,885	9,220
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),..

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use,.,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise,.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered,.,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees,.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

With the Law on standardisation from 1995 ("Official Gazette of RM" No. 23/95), 11.610 standards were accepted as macedonian standards – MKS, as well as technical provisions (rulebooks on quality, orders on compulsory attesting, rulebooks on technical normatives etc.). Most of these regulations have not been abolished and are still in use, i.e. they are enforced by the authorized ministries and bodies within the ministries. Most of the standards were compulsory.

With the new Law on Standardisation ("Official Gazette of RM" No. 54/02), all Macedonian standards are voluntary. In accordance with the Law on prescribing technical requirements for products and conformity assessment ("Official Gazette of RM" No.55/02), technical provisions are under authority of the respective ministries.

The standards in Macedonia are grouped within 18 main branches, as follows:

- Branch A: Basic and common standards (6 main groups) – total of 101 standards
- Branch B: Mining and processing of minerals, oil and petroleum (10 main groups) – total of 1138 standards
- Branch C: Metalurgy and metal processing technology (13 main groups) – total of 1079 standards
- Branch D: Forestry, wood industry and processing of wood materials (11 main groups) – total of 559 standards
- Branch E: Agriculture, food and tobacco industry (9 main groups) – total of 397 standards
- Branch F: Textile and apparel (8 main groups) – total of 321 standards
- Branch G: Leather industry, rubber and plastics (8 main groups) – total of 446 standards
- Branch H: Chemical industry (14 main groups) – total of 1724 standards
- Branch I: Information technology and data processing (7 main groups) – total of 62 standards
- Branch J: Energy (1 main groups) – total of 2 standards
- Branch K: Tools and equipment industry (16 main groups) – total of 842 standards
- Branch L: Industry for measuring and other devices and precise mechanical devices (10 main groups) – total of 100 standards
- Branch M: Production of machinery and metal processing industry (15 main groups) – total of 1726 standards
- Branch N: Electrical equipment (15 main groups) – total of 1784 standards
- Branch O: Railroad vehicles, devices and parts (10 main groups) – total of 367 standards
- Branch P: Shipbuilding, devices and plants for river traffic and maritime traffic (1 main groups) – total of 1 standards
- Branch U: Civil construction (12 main groups) – total of 533 standards

- Branch Z: Standards not classified in any particular group (10 main groups) – total of 428 standards

Actual Macedonian standards are not harmonized with European standards, except for the branch U: Civil construction, where five European standards in the field of thermal insulation are adopted as Macedonian standards (See [01 I C 3](#))

Environment protection from pollution caused by technological processes of industrial plants in Republic of Macedonia is regulated by various laws and regulations. Most important laws being: “Law on Air Quality” (“Official Gazette of RM” no. 67/2004), “Law on Physical and Urban planning” (“Official Gazette of RM” no. 4/96, 28/97, 18/99, 93/01, 45/02) and Law on Waters (“Official Gazette of RM” no. 4/98), while most important regulations are: “Rules for maximum allowed concentration and quantities of harmful substances which can be released in the air from various sources of pollution” (“Official Gazette of RM” no. 3/90), which regulates the emission norms for quality of exhaust gases from various industrial plants pertaining to total dust, organic materials in form of solid particles, emission of organic compounds and emission of carcinogenic substances. These Rules also determine the emission norms from power dependant (1-50 MW; 50-300 MW; and above 300 MW) combustible plants for thermal energy for heating and industrial processes, as well as norms for emission of harmful compounds from other technological processes, such as:

- cement factories;
- furnace of boxit, dolomite, gypsum, heat, magnesit, quarcite, chamotte;
- furnace of clay ceramic products;
- plants for transformation of mineral raw materials primarily basalt, and processing of dross;
- glassworks;
- plants for production or melting of mixtures of bitumen or tar with mineral materials, asphalt bases;
- production of nitric acid
- production of sulphuric acid;
- chlorine production;
- production of fertilizers;
- production of substances for protection of plants;
- refineries for mineral oils;
- plants for grinding and drying of carbon
- car polishing
- printing houses
- plants and sections for impregnation of glass and mineral fibres
- plants for production of wood, fiber and linked plates (including and plywood sheet
- plants for wood processing
- plants for agglomeration of iron ore
- plants for gaining of cruel colored metals
- plants for gaining of iron alloys with electric thermic or other procedure
- plants for gaining of steel in convertors, electrical furnaces, plants for melting in vacuum, steel melting and cruel alloy
- plants for melting ferro-alloys (by electro-thermal melting processes and others)
- aluminum production
- plants for aluminium melting
- plants for melting and refine of ferro-alloys and their compounds except aluminium
- plants for metal rolling, furnace for heating and thermal processing;
- casting of ferro-alloys
- plants for hot coating with zinc
- plants for surface processing of metals with nitric acid
- plants for production of lead batteries

This Rules will be revised according to the new directives of EU.

Special Regulation, according to the Law of Physical and Urban Planning, determines the standards and norms for environment protection in design of structures, as well as the preparation of reports for

evaluation of impacts upon the environment ("The Rulebook on standards and normatives for physical arrangement" – Official Gazette of RM no. 2/2002, 50/2003). This regulation classifies industrial objects into 5 categories, depending on technological processes applied, or on their expected impact upon the environment:

Class I:

- Crude oil refineries;
- production of chemicals and warehouses for chemical products
- production of pesticides and pharmaceutical products
- production of lead batteries
- production of artificial mineral fibers
- production of asbestos and products that contain asbestos
- production and storage of gunpowder padding, explosive amunition
- terminals for cancelling and combustion installations, recycling and chemical treatment of industrial, dangerous and waste materials
- terminals for nuclear waste
- bloomeris and steel mills, blacksmith shops, rolling mills, metal casting,
- production and processing of ferro-alloys
- mines and exploitation of metals and non-metals
- thermal power plants
- production of cement, heat, etc.
- production of glass and glass wool
- leather and leather clothing factories
- farms for breeding of poultry, pigs, cows, cattle, sheep, goat
- slaughter houses
- pounds
- waste water refining stations above 5000 ecological units per inhabitants

Class II:

- factories for cleaning, grease removal and bleach of wool and fibers
- production of vegetable and animal butterfat
- production of fiberplate, plywood sheet and plywood
- production of wood mass and paper
- production and proccession of cellulose
- station for refining of waste waters from 2001 to 5000 ecological units per inhabitant

Class III:

- packing and preservation of animal products
- production of alcoholic beverages, vine, beer and malt
- production of industrial starch
- production of asphalt, concrete
- station for refining of waste waters up to 2000 units per inhabitant

Class IV:

- dairy farms
- packing and preservation of vegetable products
- production of non-alcoholic beverages
- production of sugar, pastry and syrup
- processing of tobacco and production of cigarettes
- brick production, ceramics products, porcelain and majolica
- cemeteries and crematory

Class V:

- pipelines

- warehousing of pig iron
- production of knitted fabrics, carpets, spin, cotton fabrics, flax, wool
- mills
- bakeries

A sanitary protection zone - minimal distance between objects and dwelling settlements - is determined for every class of objects, for objects from the Class I being above 1200m, for Class II 801 – 1200m, for Class III 501 – 800m, for Class IV 201 – 500m, and for Class V 50 – 200 metres. Apart from that, evaluation of impacts during the preparation of technical documentation is conducted for every project of these classes.

The Law on Waters (“Official Gazette of RM no. 4/98”), sets the base for enactment of norms for emission of pollution substances in surface waters from various industrial sources, but until today they have not been prepared. Control of pollution is conducted via special waste water emission permits issued by the Ministry of Agriculture, Forestry and Water Economy, performed on the basis of case by case evaluation of objects.

New legal acts: Draft Law on Environment Protection , Law on Air Quality (“Official Gazette of RM no. 67/2004”); Draft Law on Waters, Law on Waste Management (“Official Gazette of RM no. 68/2004”) and Law on Nature Protection (“Official Gazette of RM no. 67/2004”), stipulate the base for revision of above mentioned Rules in context of contemporary European standards encompassed by Best Available Technologies (BAT) for reduction, prevention and elimination of pollution (Directive no. 96/61/EEC for Integrated Precluding of Pollution – IPPC), for revision of objects for which evaluation of their impact on the environment is performed according to the EU Directive no. 85/337 (for evaluation of effects from private and public projects upon the environment), as well as for strategic evaluation of impacts.

The new Law on Waters, which is undergoing the Parliamentary enactment procedure, sets the base for adoption of norms which will be prepared according to European Directives. This Law approximates the EU Directive (no. 2000/60/EEC) concerning water policy and other relevant Directives within the field encompassed by the EU Regulatory Framework.

Related to waters the liabilities of the industrial sector are derived by a need to receive integrated waste water permission for objects stipulated by the Draft Law on Environment Protection and Law on Physical and Urban Planning.

The Ministry of Environment and Physical Planning is preparing an Order in a form of a Proposal for prohibition of production and sale of powder detergents which contain phosphates on the territory of the Republic of Macedonia. According to the Action plan, the Order it is planned to be implemented as of September 2005.

In this context, the Draft Law on Environment Protection introduces issuing of integrated ecological permissions for banning and control of pollution and permissions for harmonization followed by operating plans. Namely, activities of new and existing installations may be performed only after receiving an integrated ecology permission A (to be issued by Ministry of Environment and Physical Planning) and integrated ecology permission B (to be issued by the unit of local self-government). New installations may apply for integrated permissions immediately if they have already been harmonized with new standards for environment protection, whereas existing installations should submit a request for harmonization followed by an operating plan as a condition to continue with the work. The operating plan is a document which contains measures, phased solutions and deadlines for fulfillment of conditions for acquiring integrated ecological permission. Activities should be realized within the given period (agreed through negotiations between the ministry and the installations operator), and at the end the installation should acquire an integrated ecology permission A. The agreement will be obligatory for the operator and disrespect will cause certain sanctions. The period of three years starting from 01.01.2006 up to 30.12.2008, which is envisaged for applying is divided in six semesters, in which period all industrial plants separated into six sectors, can apply for permissions. The first semester is reserved for the production and processing of metals industrial sector. In this context, few legal acts pertaining to certain industrial sectors are in final phase of

preparation, and they will be enacted after the enactment of the Draft Law on Environment Protection:

1. Decree for determination of installations for which integrated ecological permission is issued with time schedule for submission of operating plans, contains the following installations:
 - Installations for which A integrated ecology permission is issued
 - Installations for which B integrated ecology permission is issued
2. Rules for arrangement of procedure for acquiring of A integrated ecological permission and permission for harmonization with operating plan.
3. Decree for determination of projects for which evaluation of environmental impact is performed, by which the projects are separated as to ones for which compulsory evaluation is needed and ones for which only a need for evaluation is determined

5. Incentives

a) Tax and customs incentives and exemptions for investment

The Profit Tax Law ("Official Gazette of RM" no. 80/1993, 51/2003) stipulates the following tax incentives and exemptions for the taxpayers - legal entities:

1. According to Article 33, the calculated tax of the taxpayer where funds of foreign entities are invested is reduced proportionally with the participation of the foreign capital, conditioned that the participation of foreign capital is at least 20% of the total fixed assets. Purchase of shares by a foreign entity is also considered as funds invested by foreign entities.

The tax exemption also refers to taxpayers established fully with foreign capital.

The tax exemption refers only for a period of the first three years commencing from the year in which the profit is generated, conditioned that the taxpayer which used this exemption will operate for at least additional three years after the expiry of the last year in which it used the right to tax exemption. If the taxpayer ceases its operation before the expiry of the period of six years, he loses the right to tax exemption, and based on that, is obliged to pay the tax which is revalued by applying the rate of increase of the retail prices in accordance with the data issued by the State Statistical Office..

2. According to Article 31, the tax base of the taxpayer is reduced for the amount of the investments in immovables and movables up to Euro 100.000 in denar equivalent, in the current year, except for investments in vehicles, furniture, carpets, works of art from the fine and applied art, and other ornaments for equipping administrative premises.

If the taxpayer fails to use the tax exemption by the end of the current year, it is entitled to carry it forward to the next period, until it is fully utilized.

The tax base of the taxpayer is reduced up to 30%, for the amount of the investments in real estate and movable property exceeding Euro 100.000 in denar equivalent in the current year, except for investments in vehicles, furniture, carpets, works of art from the fine and applied art, and other ornaments for equipping administrative premises, but not more than the unused amount of the investment.

In order to realize the tax exemption right, the taxpayer is obliged not to alienate the estate within the period of three years, commencing from the year in which the investment is incurred.

3. According to Article 30, tax exemption is also entitled on the base of accelerated depreciation of fixed assets, in cases of technological modernization or procurement of environment and natural protection goods, but up to an amount of 25 percent above the depreciation calculated according to one of the methods for depreciation calculation.

4. According to Article 32, the tax base of a taxpayer investing in economically underdeveloped municipalities as well as in specific regions (mountainous regions, border region and compactly

underdeveloped regions) is reduced by the amount of the invested funds, but at most up to 50% of the base.

5. According to Article 32-a, taxpayer beneficiary of a free economic zone is exempt from profit tax payment for period of ten years, from the commencement of the performance of the activity in the free economic zone, on conditions and in a procedure determined with the Law on Free Economic Zones.

6. According to Article 35, the tax base of the taxpayer is reduced for the amount of the funds invested in environment and nature protection.

7. According to Article 36, business start-ups that generate profit in first year of their operation, are entitled to reduction of the calculated tax by 50%.

Taxpayer which has undergone statutory changes (merger, acquisition, division, ownership transformation, etc.) shall not be deemed as a new entity.

If taxpayer ceases business operations before the expiry of three years from the day of exemption entitlement, owes the tax due in the amount revalued with the rate of retail prices increase according to the data of the State Statistical Office.

The taxpayer utilizes the right to tax exemption upon an approval by the Public Revenue Office, after submitting of written application.

8. According to Article 36-a, the calculated profit tax is reduced by 50% in the first three years for taxpayers listed on the official markets of the Macedonian Stock Exchange. The taxpayer realizes the right to tax exemption by submitting a written application (based on appropriate documentation) to the Public Revenue Office. In case the tax payer is excluded from an official market of the Stock Exchange, loses the right to tax exemption and is obliged to pay the respective tax in the amount revalued with the rate of retail prices increase.

9. According to Article 36-b, for taxpayers obliged to introduce and use approved system of equipment for registering cash payments pursuant to Law on Registering Cash Payments ("Official Gazette of RM" no. 31/01, 42/03, 47/03, 40/04), the calculated tax shall be reduced by the amount paid for procurement of up to ten fiscal devices, by the amount of their value. Taxpayers may use the right to tax exemption from the date of introducing in use of the approved system of equipment for registering cash payments, through reducing the monthly tax prepayments, starting from the next month until the end of the year, proportional to the funds invested. In case a taxpayer fails to use the right to tax exemption by the end of the current year, he has a right to carry it forward in the next period. The taxpayer realizes the right to tax exemption with approval from the Public Revenue Office, after submitting written application.

10. According to Article 23-a, losses from business, financial and non-business transactions may be carried forward on the expense of the profit in the next calculation periods, up to three years at the most, calculated from the year in which they occurred. The right set forth in paragraph one of this Article (23-a) may not be used in case of taxpayers statutory change such as merger, acquisition, division, ownership transformation etc. Taxpayer bearing a loss realizes the right set forth in paragraph 1 of this article, conditioned upon approval by the Public Revenue Office, after submitting written application.

11. According to Article 26, capital gains from sale of securities, equipment and real estate are included in the tax base in the amount of 70%. Taxation of capital gains from sale of securities will be implemented starting from 01. January 2006.

12. According to Article 24, dividends from another company's capital participation are tax exempted, provided they are taxed from the taxpayer performs the payment in accordance with the general rate of the Profit Tax Law.

13. Regarding the transfer of part of the profit generated by foreign legal entity, profit tax shall not be paid on the transferred amount.

14. Import of equipment and spare parts (except passenger cars and office furniture) are exempted from tariffs on the basis being a share of foreign entity investment, but they may not be older than five years calculated from the date of their production, and have to be used for the main business activity of the company. There are three conditions: investment share of the foreign entity should be at least three years old, it should be at least 20% of the total equity, and taxpayer benefiting from exemption of tariffs has to operate at least three years after the last year in which he benefited from the exemption of tariffs. Purchase of shares by foreign entities is also considered as foreign investment.

b) Export incentives

According to the Law on Establishing the Macedonian Bank for Development Promotion ("Official Gazette of RM" 24/98 and 6/00) the main task of the Bank is financing investments of small and medium enterprises, support and promotion of export and implementation of foreign loans and donations.

Export promotion is realized through granting short-term export loans (pre shipment and post shipment credits) and preparation of export production, insurance of export against short-term commercial risks.

The Bank also cooperates with the Berne Union and provides information to its members on the solvency of Macedonian enterprises and banks.

The Program for the use of funds generated from compensations paid by business entities upon import and export of products, goods and services in the amount of 0.1% ("Official Gazette of RM" no. 36/2003, 31/04) regulates the conditions for use of these funds aimed for improvement of competitiveness of exports and for promotion of the foreign trade of goods and services. According to the Law on Ratification of the Protocol for Accession of the Republic of Macedonia to the World Trade Organization ("Official Gazette of RM" no. 7/03) and the Law on Trade ("Official Gazette of RM" no. 16/04) this Program will be implemented by 31.12.2005. The funds are distributed by the Ministry of Economy, while the funds for improvement of competitiveness of agricultural products are distributed by Ministry of Agriculture, Forestry and Water Economy.

The funds from compensation may be used for the following purposes:

1. Partial compensation of costs of business entities for consulting services for introduction of quality system .
2. Partial compensation of costs of business entities for certification of quality systems or products.
3. Partial compensation of costs of business entities for producing promotion materials for foreign markets.
4. Partial compensation of costs of business entities for implementing accreditation procedure.
5. Co-financing of costs of business entities for participation on international fairs and exhibitions, which is organized by the Ministry of Economy, on initiative of domestic business entities and their business associations.
6. Co-financing of costs of business entities for participation on business forums.
7. Organizing of business forums, workshops for education, information, promotion and training in the Republic of Macedonia by the Ministry of Economy.
8. Organizing of promotion campaigns by the Ministry of Economy on domestic and foreign market.
9. Publishing of promotion materials by the Ministry of Economy.
10. International targeted markets research by the Ministry of Economy, sectoral studies etc.
11. Creation and development of interactive web page by the Ministry of Economy.
12. Advertising in printed and electronic media in the Republic of Macedonia and abroad on all bases foreseen in the Program for Use of Funds from Compensation paid by business entities upon import and export of products, goods and services.
13. Partial compensation of costs for project activities aimed at brand recognition of products and services on foreign markets.

14. Partial compensation of project costs for providing working conditions and conditions for additional equipping of national laboratories and independent laboratories for control of quality of products, according to technical and other regulations of the European Union.
15. Compensation of costs for current activities of trade representatives of the Republic of Macedonia in Moscow, Berlin, Belgrade and Rome.

c) Other incentives

The Law on Free Economic Zones ("Official Gazette of RM" no. 56/1999, 41/2000, 6/2002) regulates the customs and tax incentives within the Free Economic Zones. FEZ users can import goods from abroad or from the territory of the Republic of Macedonia in the zone without tariff and other duties and can export goods to the rest of the territory of Republic of Macedonia in accordance with regulations for export and import of goods.

The operation in the Free Economic Zone provides additional incentives, such as tax exemptions for a period of ten years for the profit tax, beginning with the starting date of operation in the zone, as well as an option for reduction of the tax base in case of investments in fixed assets after the expiry of the tax exemptions, and property tax exemption for the period of ten years. Exemption of contribution taxes and other fees for the use of construction land and connection to the water, hot water, gas and electrical supply systems as well as deductions related to electrical energy use are envisaged too.

See [15 III 3](#)

6. Rules on foreign investments

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

a)

Attracting Foreign Direct Investments is one of the highest priorities of the Government of the Republic of Macedonia. For that purpose, the Government undertakes significant steps to create a favorable environment, simple and transparent regime for conducting business activities.

Foreign investors have national treatment and can establish all kinds of trade companies allowed with the Company Law ("Official Gazette of RM" no. 28/2004). In general there are no restrictions on foreign capital investments in individual sectors of Macedonian economy, except for the following sectors:

- military industry,
- trade and traffic of weapons,
- trade and traffic of narcotics,
- Preservation of historical monuments and cultural wealth (regulated with Article 55 of the Constitution of the Republic of Macedonia).

Republic of Macedonia adopted the Article VIII of the IMF Statute, according to which it commits itself to free transfer of the foreign investors profit on the basis of the invested capital. According to the Law on Foreign Exchange Operations ("Official Gazette of RM" no. 34/2001, 49/2001, 103/2001, 54/2002, 32/2003 and 51/2003), direct investments of non-residents in the Republic of Macedonia are completely free. It is of significant importance for the foreign investors that security of their investments is provided, where the transfer of the profit, financial assets acquired by alienation and sale of the ownership part in the direct investment, as well as the transfer of the bankruptcy estate are completely free, conditioned that the direct investment is registered in accordance with the law and the non-resident settled all legal obligations regarding taxes and contributions in the Republic of Macedonia.

According to Banking Law ("Official Gazette of RM" no. 63/2000, 103/2000, 37/2002, 51/2003, 85/2003) complete liberalization of foreign capital investment and equal treatment of domestic and

foreign investors is provided. As of January 2003 each domestic or foreign shareholder can acquire 100% of shares in a bank, which is complete harmonization with the European Directives.

According to the Law on Supervision of Insurance ("Official Gazette of RM" no. 27/2002, 84/2002, 98/2002 and 33/2004), participation of each domestic or foreign shareholder in the capital of an insurance company can be at most 25% of the amount of shares of the parent company with the right of management. In case when another insurance company or a bank establishes insurance company the participation in the capital of that company is not limited. Starting from 1st January 2008 each domestic or foreign shareholder can acquire 100% of shares in an insurance company, which is complete harmonization with European Directives.

According to the Law on Leasing ("Official Gazette of RM" no. 4/2002 and 49/2003) financial leasing companies can establish subsidiaries in the Republic of Macedonia, in accordance with Company Law.

Participation of foreign capital is also not limited for brokers established in the Republic of Macedonia.

According to Article 10 of the Law on Radio Broadcasting ("Official Gazette of RM" no. 20/97), foreign physical or legal entities can be co-founders of broadcasting companies with up to 25% of the total capital, whereas the share of several foreign physical and legal entities as co-founders in a broadcasting company can amount up to 49% of the total capital.

In the group of investment tax incentives, the transfer of the profit by a foreign legal entities is exempted from taxation.

b)

According to the Constitution of the Republic of Macedonia national treatment is guaranteed to foreign investors, as well as repatriation of profits. Republic of Macedonia has concluded bilateral agreements on mutual protection of investments with 29 countries.

Republic of Macedonia is a member of MIGA – affiliation of World Bank from 1993.

7. System of trade

a) Non-tariff measures affecting imports and exports, such as licences and quotas

Republic of Macedonia does not apply quantitative limits of export and import nor other non-tariff measures, such as licenses, contingents or quotas, which have same effect and by which trade may be prohibited or limited in one way or another.

Licences applied by the Republic of Macedonia are introduced due to monitoring and control of export and import of goods classified as sensitive according to international conventions. The Government of the Republic of Macedonia has enacted a Decision for distribution of goods in forms of export and import ("Official Gazette of RM" no. 58/2004), where the goods that are imported or exported on the basis of license are listed .

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

a)

The envisaged investments, particularly in the public sector, infrastructure (roads, railway, energy sector) will contribute in boosting not only of the construction sector, but also to all other complementary sectors.

Investment in electrical energy is of special importance being a driving force for future development and attracting foreign investors. This sector is undergoing structural reforms and transformation of the integrated monopoly (ESM-Electric Power Company of Macedonia) through separation of the distribution system operator which will remain in state ownership from the other parts of the company which will be privatized through sale to strategic partner.

Transformation (restructuring) and privatization in the railway sector is also planned, also being considered as attractive sector to foreign investors. More detailed information on investment incentives can be found in the answer of point 5 in this chapter.

b)

Regarding the requirements for further restructuring and modernization of processing industry below you may see the review of granted loans for the year 2003.

-in thousands of MKD.		
1.	Mining of ores and stone	1.018.744
2.	Processing industry	20.825.260
3.	Construction	5.949.322
	TOTAL	27.793.326
Source: National bank of RM		

Note:

Starting from 31.12.2003, the Directorate for Bank Supervision of the National Bank disposes with data for classification of loan availability per branch.

Questions on forecasts and time-scales for each industrial branch are not replied, since such data are not recorded in our country.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

a)

A National Programme for Approximation of Legislation (NPAL) for 2004 has been adopted which includes The Action Plan for Technical Standardization Harmonisation and Technical Regulations with EU Legislation. The NPAL also includes the technical regulations from other ministries that are responsible for harmonisation of legislation and are in correlation with the industrial sectors in the field of industrial policy.

A.

The existing relevant technical regulations for raw materials, non-ferrous metals, ferro-alloys, cement, glass, ceramics, paper and wood, publishing activities (18 rulebooks and 6 decrees) which are being used in this field have not been harmonised with the European regulations yet.

By-laws of the Law on prescribing technical requirements for products and conformity assessment ("Official Gazette of RM" No. 55/02) will be passed and will be harmonized with the Council Directive 93/68/EEC of 22 July 1993 amending Directive 89/106/EEC (building materials).

It is planned A Law on Minerals to be passed which will be harmonised with the Council Directive of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment and Council Directive 97/11/EC of 3 March 1997 amending Directive 85/337/EEC on the assessment of the effects of certain public and private projects on the environment. See [15 I II A 3](#), point 9.

B.

The field of chemical products and rubber is regulated by the existing regulations. The national legislation differentiates the chemicals according to the requirements of each law respectively.

Rulebook on Marketing Products of General Use ("Official Gazette of RM" No. 26/83)

- Law on Production of Toxins ("Official Gazette of RM" No. 18/76)
- Law on Traffic of Toxins ("Official Gazette of RM" No. 13/91)
- Law on Transport of Dangerous Materials ("Official Gazette of RM" No. 12/93)

- Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices (“Official Gazette of RM” No. 21/98)
- Law on Precursors (“Official Gazette of RM” No. 37/2004)
- Rulebook on labelling toxic substances which are on sale on the domestic market (Official Gazette of the SFRY No. 32/86)
- Rulebook on the way of destroying unused poisons and wrapping material used for packing poisons and on the way of withdrawing poisons out of sale (Official Gazette of the SFRY No. 7/83).
- Law on Plant Protection (“Official Gazette of RM” No. 25/98, 6/2000)
- Rulebook on Conditions Requirements for Legal Entities Concerning the Tools, Equipment and Premises Used in Production, Wholesaling and Retailing of Plant Protection Chemicals and on Contents and Bookkeeping of the Register (“Official Gazette of RM” No. 54/2001).

The pneumatics (tyres) intended for use of road vehicles fulfill the regulations determined by Homologation Order UN ECE R54 - Order on Mandatory Homologation of tyres of Commercial Vehicles and their Trailers, except for Passenger Vehicles (Official Gazette of the SFRY No. 11/85) which was renewed and adopted by the Homologation Order for compulsory A-Test of vehicles on wheels, equipment and parts which can be built in and/or used in vehicles on wheels (“Official Gazette of RM” No. 89/2000, 95/2001, 21/2002, 45/2002, 35/2004)

The pneumatics (tyres) for tractors and their trailers are regulated by Commission Regulation (EC) No 106/2000 of 18 January 2000, and repaired tyres for motor vehicles and their trailers from vehicle categories M, N, O must meet the requirements of EC Guidelines No. 108 and 109 in the previously stated Guidelines.

Commission Regulation (EC) No 106/2000 is planned to come into force, which refers to the pneumatics (tyres) for tractors and their trailers and it means there is a legal base for harmonization of national regulations with the requirements of the stated Guidelines.

Within this field a new Law on Chemicals is envisaged to be adopted as well as bylaws originating from this Law. In the Law on Chemical the following Directives will be harmonized: Council Directive 67/548/EEC of 27 June 1967, Commission Directive 2001/59/EC of 6 August 2001. See [15 I II B 1](#), point 9.

C.

The area of mechanical engineering, electrical and consumer electronics is regulated with the existing regulations, as well as with the new laws which are harmonised with EU Laws, such as the Law on Standardisation (“Official Gazette of RM” No. 54/02), Law on Accreditation (“Official Gazette of RM” No. 54/2002), Meteorology Law (“Official Gazette of RM” No. 55/2002) and Law on Prescribing Technical Requirements for Products and Conformity Assessment (“Official Gazette of RM” No. 55/2002)

In the framework of mechanical engineering, electrical and consumer electronics regulations which will be used to regulate this field will be adopted at the end of 2005 according to the NPAL of the Republic of Macedonia, i.e. the following bylaws will be adopted:

- Bylaw relating to equipment designed for use within low voltage where the Council Directive 73/23/EEC will be harmonised.
- Bylaw relating electromagnetic compatibility where the Council Directives 89/336/EEC, 92/31/EEC, 93/68/EEC and 98/13/ECC will be harmonised.
- Bylaw relating machines where the Council Directives 98/37/ECC, 98/79/EC will be harmonised.
- Bylaw relating elevators where the Council Directive 95/16/EEC will be harmonised (time limit 2005/2006).
- Bylaw relating refrigerators, freezers and combination where Directive 96/57/EEC will be harmonized (time limit 2005/2006).
- Council Directive 90/384/EEC relating to non-automatic weighing instruments (Council Directive 93/68/EEC amending Directive 90/384/EEC)

- Directive 97/23/EEC concerning pressure equipment

D.

Bylaw relating to telecommunications terminal equipment in which the Directive 98/13/EEC will be harmonised and it will be transposed by the Ministry of Transport and Communications in 2005/2006; Directive 98/48/EEC amending Directive 98/34/EC laying down a procedure for the provision of information in the field of technical standards and regulations for information services (will be transposed with the Law on Electronic communications which is in Parliamentary procedure);

E.

The State Inspectorate for Technical Inspection (a body within the Ministry of Economy) is competent for enforcement of the laws and regulations which regulate this field in :

- construction and reconstruction of steam boilers;
- construction, reconstruction, embodying, production and use of water heating boilers, stable pressure vessels, as well as all equipment considered as devices under pressure,
- technical features and structure of material used for processing, production of steam boilers and pressure vessels,
- fulfilment of working conditions for employees who operate with steam boilers,
- fulfilment of conditions of legal and physical entities, dealing with designing , construction, manufacture and installation and use of steam machines and boilers.

Our national legislation regulates all procedures for medical aids (devices) with Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98). At present, a working group is preparing a new Rulebook on Medical Devices in accordance with the European directives.

The following bylaws will be adopted in accordance with the Action Plan within 2005/2006:

- Bylaws relating to pressure vessels where the Directives 87/404/EEC, 90/488/EEC and 93/68/EEC will be harmonised.
- Bylaw relating to appliances burning gaseous fuels 90/396/EEC, 93/68/EEC
- Bylaw relating hot-water boilers will be harmonized with Council Directive 92/42/EEC
- Bylaw concerning medical devices will be harmonised with Council Directive 93/42/EEC.
- Bylaw on diagnostic medical devices where the Directive 98/79/EC of the European Parliament and of the Council will be harmonized.

F.

In this field, 51 regulations are valid (one law, 4 orders i.e decrees and 46 rulebooks) which have not been harmonised with the EU standards yet.

The Law on Construction with accompanying bylaws are in their final stage of preparation, and their adoption and implementation is expected in 2005;

The preparation of Law on Building Materials and Bylaws will begin in 2005, and its adoption is expected in 2006. These legal acts are completely harmonized with Council Directive 89/106/EEC relating to building materials.

G.

In this field 22 regulations are being implemented which have not been harmonised yet.

The Republic of Macedonia has been maintaining the continuity in the homologation of road vehicles since 1962 based on succession from SFRY through adoption of the Geneva Convention from 1958, which was also adopted by the Republic of Macedonia on 17th November 1991 ("Official Gazette of RM" No. 89/2000).

Several Orders on Homologation have been enacted based on the Geneva Convention:

- Order for compulsory attesting (homologation) of vehicles on wheels, equipment and parts which can be built in and/or used for vehicles on wheels ("Official Gazette of RM" No. 89/2000; 95/2001; 21/2002; 45/2002; 35/2004).

- Order for compulsory attesting (homologation) of the vehicles on wheels of the equipment and parts from motor vehicles ("Official Gazette of RM" No. 84/2001; 21/2002; 31/2002; 52/2002; 26/2004; 35/2004).

By passing the Additions and Amendments to the Law on Road Transport Safety ("Official Gazette of RM" No. 14/98; 38/2004) and the Law on Prescribing Technical Requirements for Products and Conformity Assessment ("Official Gazette of RM" No. 55/2002) a legal base is created, through the adopted ECE homologation Rulebooks for vehicle categories L, M, N, O and the corresponding ECE Directives to implement the directives relating to the homologation of the vehicles as a whole.

Automatism is also implemented in the procedure of adopting the ECE Rulebooks, and in the national legislation dynamics is introduced for certain Rulebooks through the ECE Rulebooks i.e. through EEC Directives to become completely harmonised in the implementation of the European Directives in this field.

H.

In the preparation of the Law on Safety of Foodstuffs and Product and Materials in Contact with Foodstuffs ("Official Gazette of RM" No. 54/02), the Regulation (EC) No 178/2002 of the European Parliament and of the Council is taken as a basis.

The law is normative-technically prepared to be internationally acceptable, having both horizontal and vertical regulation (Basic Law and a large number of Bylaws). The analogy of this law is found in the structure of Codex Alimentarius and in the structure of the European Food Legislation. The national legislation of the Republic of Macedonia in the area of health safety of food has not yet been completely harmonised with international standards. With adoption of the Law on Safety of Foodstuffs and Product and Materials in Contact with Foodstuffs the process of harmonization of the legal framework with the EU regulations has been initiated.

Food products – additives

- European Parliament and Council Directive 94/34/EC of 30 June 1994 amending Directive 89/107/EEC on the approximation of the laws of Member States concerning food additives authorized for use in foodstuffs intended for human consumption.
- European Parliament and Council Directive 94/36/EC of 30 June 1994 on colours for use in foodstuffs.
- European Parliament and Council Directive No 95/2/EC of 20 February 1995 on food additives other than colours and sweeteners.

Food products – contaminants

- Council Regulation (Euratom) No 3954/87 of 22 December 1987 laying down maximum permitted levels of radioactive contamination of foodstuffs and of feedingstuffs following a nuclear accident or any other case of radiological emergency.
- Council Regulation (EEC) No 315/93 of 8 February 1993 laying down Community procedures for contaminants in food.
- Commission Regulation (EC) No 466/2001 of 8 March 2001 setting maximum levels for certain contaminants in foodstuffs (Text with EEA relevance.)
- Council Regulation (EC) No 2375/2001 of 29 November 2001 amending Commission Regulation (EC) No 466/2001 setting maximum levels for certain contaminants in foodstuffs (Text with EEA relevance.)

Food products – extraction agents

- Council Directive 88/344/EEC of 13 June 1988 on the approximation of the laws of the Member States on extraction solvents used in the production of foodstuffs and food ingredients.

Food products – condiments

- Council Directive 88/388/EEC of 22 June 1988 on the approximation of the laws of the Member States relating to flavourings for use in foodstuffs and to source materials for their production.

Food products – materials that are in contact with food

- Council Directive 84/500/EEC of 15 October 1984 on the approximation of the laws of the Member States relating to ceramic articles intended to come into contact with foodstuffs.
- Council Directive 89/109/EEC of 21 December 1988 on the approximation of the laws of the Member States relating to materials and articles intended to come into contact with foodstuffs.
- Commission Directive 2002/72/EC of 6 August 2002 relating to plastic materials and articles intended to come into contact with foodstuffs (Text with EEA relevance).
- Corrigendum to Commission Directive 2002/72/EC of 6 August 2002 relating to plastic materials and articles intended to come into contact with foodstuffs (OJ L 220 of 15.8.2002).

Food products- General Food Law

- Council Directive 89/398/EEC of 3 May 1989 on the approximation of the laws of the Member States relating to foodstuffs intended for particular nutritional uses.

Food products – Health and official control

- Council Directive 89/397/EEC of 14 June 1989 on the official control of foodstuffs.
- Commission Directive 2003/40/EC of 16 May 2003 establishing the list, concentration limits and labelling requirements for the constituents of natural mineral waters and the conditions for using ozone-enriched air for the treatment of natural mineral waters and spring waters.

Food products – Marking

- Council Directive 79/112/EEC of 18 December 1978 on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs for sale to the ultimate consumer.
- Council Directive 93/43/EEC of 14 June 1993 on the hygiene of foodstuffs.
- Council Directive 98/83/EC of 3 November 1998 on the quality of water intended for human consumption.

In the course of preparation of bylaws the rules for hygiene of food that refer to registration and approval of premises for production of food will be considered, as well as the rules that refer to the introduction of self-control in those objects (HACCP), which are included in the proposal of the European Parliament and the Council for hygiene of food products (COM 2000/0438). All EU directives and provisions which are not included in the Law on Safety of Foodstuffs and Product and Materials in Contact with Foodstuffs will be incorporated in the bylaws which are being prepared by the Ministry of Health and they are in the process of passing.

I.

- Council Directive 88/378/EEC of 3 May 1988 on the approximation of the laws of the Member States concerning the safety of toys.
- Council Directive 93/68/EEC of 22 July 1993 amending Directive 88/378/EEC (safety of toys).
 - Council Directive 88/378/EEC of 3 May 1988 on the approximation of the laws of the Member States concerning the safety of toys, is implemented in the Rulebook on characteristics of the toys for sale ("Official Gazette of RM" No. 90/2004), which is in accordance with the Consumer Protection Law ("Official Gazette of RM" No. 38/2004).
- Directive 94/11/EC of the European Parliament and of the Council of 23 March 1994 on the approximation of the laws, regulations and administrative provisions of the Member States relating to labelling of the materials used in the main components of footwear for sale to the consumer.
 - Bylaw on Law on Prescribing Technical Requirements for Products and Conformity Assessment – Labeling of the materials used in the main components of footwear.
- Directive 96/74/EC of the European Parliament and of the Council of 16 December 1996 on textile names.
 - Bylaw on Law on Prescribing Technical Requirements for Products and Conformity Assessment on textile names.

- Council Directive 73/44/EEC of 26 February 1973 on the approximation of the laws of the Member States relating to the quantitative analysis of ternary fibre mixtures.
 - Bylaw on Law on Prescribing Technical Requirements for Products and Conformity Assessment relating to the quantitative analysis of ternary fibre mixtures.
- Directive 96/73/EC of the European Parliament and of the Council of 16 December 1996 on certain methods for the quantitative analysis of binary textile fibre mixtures.
 - Bylaw on Law on Prescribing Technical Requirements for Products and Conformity Assessment on certain methods for the quantitative analysis of binary textile fibre mixtures

J.

J.1.

Valid legal regulations in the area of medications for human use

- Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices (“Official Gazette of RM” No. 21/98)
- Instruction on the conduct of the procedure for issuance of approval for general sale of prepared pharmaceutical drugs (“Official Gazette of RM” No. 49/04).
- Rules concerning requirements regarding facilities, equipment and staff that have to be fulfilled by wholesalers of medicaments, remedial medicines and medical devices for human use (“Official Gazette of RM” No. 64/02)
- Rulebook on the way of prescribing and issuing of drugs (“Official Gazette of RM” No. 17/02)
- Rulebook on organizing the monitoring of the way of informing and the data that are brought into relationship with established undesired side-effects when using a drug (“Official Gazette of RM” No. 57/87)
- Rulebook on clinical examination of a drug (“Official Gazette of RM” No. 2/89)
- Guidelines on methods for laboratory examination of drug for the purpose of selling (“Official Gazette of RM” No. 34/89)
- Order on medications which are subject to special control upon putting them into medication traffic (“Official Gazette of RM” No. 22/88)
- Decision on unique classification of drugs (“Official Gazette of RM” No. 47/85, 73/85, 54/90)

J.2

The area of medications used in veterinary medicine is regulated by two laws:

- Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices (“Official Gazette of RM” No. 21/98)
- Law on Veterinary Health (“Official Gazette of RM” No. 28/98)
- Rulebook on the way of reporting of counter effects from use of pharmaceutical drugs and provoked incidents with medical devices, as well as the way of their monitoring and recording (“Official Gazette of RM” No. 39/2002)
- Rules concerning requirements regarding facilities, equipment and staff that have to be fulfilled by wholesalers of medicaments, remedial medicines and medical devices in veterinary (“Official Gazette of RM” No. 39/2002)

A new Law on Veterinary Medicinal Products with Bylaws are planned to be issued in 2007, which will be approximated with the European Union Legislation.

See [15 | II J](#), [15 | II J 1](#) and [15 | II J 2](#).

b)

In 2004, the Government of the Republic of Macedonia adopted the National Programme on Legislation Harmonisation with the European Legislation, where deadlines are included for issuing laws and bylaws.

In 2005, a new Draft Law on General Product Safety is planned which will be implemented in the new programme on NPAL for 2005, (harmonisation with Directive 2001/95/EC on general product safety (deadline 2005)

- Council Directive 93/68/EEC, Use of CE marking (deadline 2005)

- Council Directive 89/686/EEC of 21 December 1989 on the approximation of the laws of the Member States relating to personal protective equipment (Council Directive 93/95/EEC amending Directive 89/686/EEC on the approximation of the laws of the Member States relating to personal protective equipment (PPE) and Directive 96/58/EC amending Directive 89/686/EEC on the approximation of the laws of the Member States relating to personal protective equipment), (deadline 2006).

A.

A Law on Valuable Metal Objects is planned to be issued in which the following legal acts will be incorporated: 51993PC0322 and 51994PC0267. The law is planned to be issued in the last quarter of 2005.

B.

Within this field it is planned to be issued the Law on Chemicals as well as bylaws originating from this law. In the Law on Chemicals the following directives will be harmonised: Council Directive 67/548/EEC, Commission Directive 2001/59/EC.

In the Republic of Macedonia the new Rulebook on Pneumatics for Tractors and Their Trailers ECE P 106/00 is planned to be enforced on 01/10/2005. It means that there is a legal base for harmonisation of the national regulations with the requirements of the stated Rulebook.

C.

- Directive 98/37/EC of the European Parliament and of the Council of 22 June 1998 on the approximation of the laws of the Member States relating to machinery (deadline 2005)
- Council Directive 90/384/EEC of 20 June 1990 on the harmonization of the laws of the Member States relating to non-automatic weighing instruments and Council Directive 93/68/EEC of 22 July 1993 amending 90/384/EEC (non-automatic weighing instruments), (deadline 2006).
- Council Directive 89/336/EEC of 3 May 1989 on the approximation of the laws of the Member States relating to electromagnetic compatibility and Council Directive 92/31/EEC of 28 April 1992 amending Directive 89/336/EEC on the approximation of the laws of the Member States relating to electromagnetic compatibility, Council Directive 93/68/EEC of 22 July 1993 amending Directive 89/392/EEC (machinery), (deadline 2005)
- Directive 97/23/EC of the European Parliament and of the Council of 29 May 1997 on the approximation of the laws of the Member States concerning pressure equipment, (deadline 2006)
- Council Directive 73/23/EEC of 19 February 1973 on the harmonization of the laws of Member States relating to electrical equipment designed for use within certain voltage limits (deadline 2005)
- European Parliament and Council Directive 95/16/EC of 29 June 1995 on the approximation of the laws of the Member States relating to lifts, (deadline 2005/2006)
- Directive 96/57/EC of the European Parliament and of the Council of 3 September 1996 on energy efficiency requirements for household electric refrigerators, freezers and combinations thereof, (deadline 2005/2006)

D.

- Directive 98/13/EC of the European Parliament and of the Council of 12 February 1998 relating to telecommunications terminal equipment and satellite earth station equipment, including the mutual recognition of their conformity, (deadline 2006)
- Directive 98/34/EC of the European Parliament and of the Council of 22 June 1998 laying down a procedure for the provision of information in the field of technical standards and regulations and Directive 98/48/EC of the European Parliament and of the Council of 20 July 1998 amending Directive 98/34/EC laying down a procedure for the provision of information in the field of technical standards and regulations, (deadline 2005)

E.

- Council Directive 92/42/EEC of 21 May 1992 on efficiency requirements for new hot- water boilers fired with liquid or gaseous fuels, (deadline 2005/2006)
- Council Directive 87/404/EEC of 25 June 1987 on the harmonization of the laws of the Member States relating to simple pressure vessels and Council Directive 90/488/EEC of 17 September 1990 amending Directive 87/404/EEC on the harmonization of the laws of the Member States relating to simple pressure vessels, Council Directive 93/68/EEC of 22 July 1993 amending Directive 87/404/EEC (simple pressure vessels), (deadline 2005/2005)
- Council Directive 90/396/EEC of 29 June 1990 on the approximation of the laws of the Member States relating to appliances burning gaseous fuels and Council Directive 93/68/EEC of 22 July 1993 amending Directive 90/396/EEC (appliances burning gaseous fuels), (deadline 2005/2006)
- Directive 98/79/EC of the European Parliament and of the Council of 27 October 1998 on in vitro diagnostic medical devices, (deadline 2005/2006)
- Council Directive 93/42/EEC of 14 June 1993 concerning medical devices, (deadline 2005/2006)

F.

- The Law on Construction with accompanying bylaws are in their final phase of preparation, and their adoption is expected in 2005.
- The preparation of the Law on Building Materials and Bylaws will begin in 2005, and their adoption is expected in 2006. These legal acts will be completely harmonised with the requirements of Council Directive 89/106/EEC of 21 December 1988 on the approximation of laws, regulations and administrative provisions of the Member States relating to construction products.

G.

- Directive 94/25/EC of the European Parliament and of the Council of 16 June 1994 on the approximation of the laws, regulations and administrative provisions of the Member States relating to recreational craft, (deadline 2006)

H.

- European Parliament and Council Directive 94/34/EC of 30 June 1994 amending Directive 89/107/EEC on the approximation of the laws of Member States concerning food additives authorized for use in foodstuffs intended for human consumption, (deadline 2005/2006)
- European Parliament and Council Directive 94/36/EC of 30 June 1994 on colours for use in foodstuffs, (deadline 2005/2006)
- Commission Regulation (EC) No 2/95 of 3 January 1995 altering the basic amount of the import levies on syrups and certain other products in the sugar sector, (deadline 2005/2006)
- Council Regulation (Euroatom) No 3954/87 of 22 December 1987 laying down maximum permitted levels of radioactive contamination of foodstuffs and of feeding stuffs following a nuclear accident or any other case of radiological emergency, (deadline 2005/2006)
- Commission Regulation (EC) No 466/2001 of 8 March 2001 setting maximum levels for certain contaminants in foodstuffs (Text with EEA relevance.), (deadline 2005/2006)
- Council Regulation (EEC) No 315/93 of 8 February 1993 laying down Community procedures for contaminants in food, (deadline 2005/2006)
- Council Regulation (EC) No 2375/2001 of 29 November 2001 amending Commission Regulation (EC) No 466/2001 setting maximum levels for certain contaminants in foodstuffs (Text with EEA relevance), (deadline 2005/2006)
- Council Directive 88/344/EEC of 13 June 1988 on the approximation of the laws of the Member States on extraction solvents used in the production of foodstuffs and food ingredients, (deadline 2005-2006)
- Council Directive 88/388/EEC of 22 June 1988 on the approximation of the laws of the Member States relating to flavourings for use in foodstuffs and to source materials for their production, (deadline 2005/2006)

- Council Directive 84/500/EEC of 15 October 1984 on the approximation of the laws of the Member States relating to ceramic articles intended to come into contact with foodstuffs, (deadline 2005/2006)
- Council Directive 89/109/EEC of 21 December 1988 on the approximation of the laws of the Member States relating to materials and articles intended to come into contact with foodstuffs, (deadline 2005/2006)
- Commission Directive 2002/72/EC of 6 August 2002 relating to plastic materials and articles intended to come into contact with foodstuffs (Text with EEA relevance), (deadline 2005/2006)
- Council Directive 89/398/EEC of 3 May 1989 on the approximation of the laws of the Member States relating to foodstuffs intended for particular nutritional uses, (deadline 2005/2006)
- Council Directive 89/397/EEC of 14 June 1989 on the official control of foodstuffs, (deadline 2005/2006)
- Commission Directive 2003/40/EC of 16 May 2003 establishing the list, concentration limits and labelling requirements for the constituents of natural mineral waters and the conditions for using ozone-enriched air for the treatment of natural mineral waters and spring waters, (deadline 2005/2006)
- Council Directive 79/112/EEC of 18 December 1978 on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs for sale to the ultimate consumer, (deadline 2005/2006)
- Council Directive 93/43/EEC of 14 June 1993 on the hygiene of foodstuffs, (deadline 2005/2006)
- Council Directive 98/83/EC of 3 November 1998 on the quality of water intended for human consumption, (deadline 2005/2006)

I.

- Council Directive 88/378/EEC of 3 May 1988 on the approximation of the laws of the Member States concerning the safety of toys, (planned for 2005)
- Directive 94/11/EC of the European Parliament and of the Council of 23 March 1994 on the approximation of the laws, regulations and administrative provisions of the Member States relating to labelling of the materials used in the main components of footwear for sale to the consumer, (planned for 2005)
- Directive 96/74/EC of the European Parliament and of the Council of 16 December 1996 on textile names, (planned for 2005)
- Council Directive 73/44/EEC of 26 February 1973 on the approximation of the laws of the Member States relating to the quantitative analysis of ternary fibre mixtures, (planned for 2005)
- Directive 96/73/EC of the European Parliament and of the Council of 16 December 1996 on certain methods for the quantitative analysis of binary textile fibre mixtures, (planned for 2005)

J.2.

A new Law on Veterinary Medicines with Bylaws is planned to be issued in 2007, which will be approximated with the European Union Legislation.

1. Iron and steel:

- a) basic iron and steel products**
- b) processed products, of which tubes**
- c) iron ore**
- d) ferro-alloys**

Iron and steel include:

- 27.1 Manufacture of basic iron and steel and of ferro-alloys
- 27.2 Manufacture of tubes
- 27.3 Other first processing of iron and steel
- 27.5 Casting of metals

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	t	1,220,883	1,541,467	1,889,123	2,023,453
27.2 Manufacture of tubes	t	221,000	222,000	229,000	239,000
27.3 Other first processing of iron and steel	t	13,824	11,537	12,179	12,159
27.5 Casting of metals	t	8,741	8,730	8,730	8,732
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	t	80.1	64.3	46.8	53.9
27.2 Manufacture of tubes	t	18.2	19.0	17.7	29.5
27.3 Other first processing of iron and steel	t	82.8	67.9	83.2	81.5
27.5 Casting of metals	t	58.7	46.2	46.7	56.1
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	t	977,927	991,163	884,249	1,090,024
27.2 Manufacture of tubes	t	40,133	42,101	40,610	70,522
27.3 Other first processing of iron and steel	t	11,449	7,836	10,132	9,914
27.5 Casting of metals	t	5,135	4,034	4,073	4,902
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	14,542,901	10,754,250	8,554,785	12,333,655
27.2 Manufacture of tubes	1,164,097	1,207,715	1,576,523	2,372,873
27.3 Other first processing of iron and steel	1,759,512	191,290	221,440	219,778
27.5 Casting of metals	417,348	357,098	415,850	446,007
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	15,596,685	11,117,452	9,403,258	14,062,664
27.2 Manufacture of tubes	562,757	98,518	493,116	1,082,823
27.3 Other first processing of iron and steel	811,421	-1,458,695	-1,639,302	-3,799,178
27.5 Casting of metals	417,348	357,098	415,850	446,007
Source: State Statistical Office				

Forecast of domestic demand is not available.

d) National self-supply ratio
(production – exports)
(production + imports - exports)

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	82.8	82.7	74.2	71.2
27.2 Manufacture of tubes	-5.7	-87.3	54.7	74.9
27.3 Other first processing of iron and steel	45.8	120.4	117.1	105.7
27.5 Casting of metals	100.0	100.0	100.0	100.0
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	15,744	21,070	16,828	20,815
27.2 Manufacture of tubes	11,640	1,552	1,329	1,132
27.3 Other first processing of iron and steel	826	1,856	1,534	1,116
27.5 Casting of metals	-	-	-	-
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	7,641	7,528	7,876	9,667
27.2 Manufacture of tubes	7,998	1,784	2,085	1,709
27.3 Other first processing of iron and steel	1,115	1,131	1,215	872
27.5 Casting of metals	-	-	-	-
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	135,930	92,595	140,866	232,628
27.2 Manufacture of tubes	2,274	1,275	2,668	5,567
27.3 Other first processing of iron and steel	19,922	10,585	7,732	5,536
27.5 Casting of metals	-	-	-	-
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	37,168	24,410	33,118	56,164
27.2 Manufacture of tubes	2,195	1,259	1,606	2,717
27.3 Other first processing of iron and steel	6,177	3,774	3,424	2,693
27.5 Casting of metals	-	-	-	-
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
27.1 Manufacture of basic iron and steel and of ferro-alloys	Ukraine, Serbia and Montenegro and Bulgaria
27.2 Manufacture of tubes	Greece, Bulgaria and Serbia and Montenegro
27.3 Other first processing of iron and steel	Bulgaria, Ukraine and Slovenia
27.5 Casting of metals	-
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	439,963	313,330	215,089	264,462
27.2 Manufacture of tubes	13,214	14,349	18,991	23,797
27.3 Other first processing of iron and steel	46,384	32,889	15,578	46,536
27.5 Casting of metals	-	-	-	-
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	138,390	106,001	65,856	69,292
27.2 Manufacture of tubes	7,407	7,979	9,272	12,612
27.3 Other first processing of iron and steel	20,667	28,493	34,141	57,627
27.5 Casting of metals	-	-	-	-
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	424,842	165,589	117,655	192,912
27.2 Manufacture of tubes	26,929	28,920	28,628	27,923
27.3 Other first processing of iron and steel	14,443	6,529	2,108	20,617
27.5 Casting of metals	-	-	-	-
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	125,941	59,355	41,939	59,916
27.2 Manufacture of tubes	14,911	13,994	13,281	13,119
27.3 Other first processing of iron and steel	7,688	3,583	1,049	11,488
27.5 Casting of metals	-	-	-	-
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
27.1 Manufacture of basic iron and steel and of ferro-alloys	Germany, Croatia and Italy
27.2 Manufacture of tubes	Serbia and Montenegro, Germany and Italy
27.3 Other first processing of iron and steel	France, Italy and Germany
27.5 Casting of metals	-
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	110.0	93.4	77.1	64.4
27.2 Manufacture of tubes	116.4	110.7	87.2	66.5
27.3 Other first processing of iron and steel	97.7	1,021.5	973.6	1,934.6
27.5 Casting of metals	-	-	-	-
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	18.6	18.1	29.3	32.8
27.2 Manufacture of tubes	52.9	15.3	14.3	11.4
27.3 Other first processing of iron and steel	25.0	156.0	128.0	99.4
27.5 Casting of metals	-	-	-	-
Source: State Statistical Office				

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	4,501	2,692	658	2,985
27.2 Manufacture of tubes	1,370	1,769	2,006	2,243
27.3 Other first processing of iron and steel	17	0	1	0
27.5 Casting of metals	2,594	3,279	3,135	3,595
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	208	293	255	683
27.2 Manufacture of tubes	338	443	503	513
27.3 Other first processing of iron and steel	11	0	1	0
27.5 Casting of metals	770	968	658	841
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	1,1	0,6	0,2	0,7
27.2 Manufacture of tubes	0,3	0,4	0,5	0,5
27.3 Other first processing of iron and steel	0,0	0,0	0,0	0,0
27.5 Casting of metals	0,6	0,8	0,8	0,8
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	0,1	0,2	0,1	0,3
27.2 Manufacture of tubes	0,2	0,2	0,3	0,2
27.3 Other first processing of iron and steel	0,0	0,0	0,0	0,0
27.5 Casting of metals	0,4	0,5	0,3	0,4
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	6	6	5	5
27.2 Manufacture of tubes	7	7	9	7
27.3 Other first processing of iron and steel	3	1	2	1
27.5 Casting of metals	40	38	115	123
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	3,675	3,571	3,545	2,338
27.2 Manufacture of tubes	1,399	1,150	1,122	1,101
27.3 Other first processing of iron and steel	-	1	1	1
27.5 Casting of metals	1,679	1,791	1,579	1,454
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	0,7	0,7	0,7	0,5
27.2 Manufacture of tubes	0,3	0,2	0,2	0,2
27.3 Other first processing of iron and steel	-	0,0	0,0	0,0
27.5 Casting of metals	0,3	0,4	0,3	0,3
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
27.1 Manufacture of basic iron and steel and of ferro-alloys	S	8	2	8	2	5	1	7	1
	M	85	1	77	1	90	1	77	1
	B	4,408	3	2,608	3	563	3	2,901	3
27.2 Manufacture of tubes	S	11	6	12	5	7	7	6	5
	M	-	-	469	1	650	1	-	-
	B	1,359	1	1,288	1	1,348	1	2,238	2
27.3 Other first processing of iron and steel	S	17	3	0	1	1	2	0	1
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
27.5 Casting of metals	S	162	37	151	35	229	112	97	120
	M	139	1	104	1	-	-	21	1
	B	2,292	2	3,024	2	2,906	3	3,477	2
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	161,042	111,103	17,454	85,333
27.2 Manufacture of tubes	15,715	7,365	1,163	192,863
27.3 Other first processing of iron and steel	-	-	-	-
27.5 Casting of metals	214,581	376,178	112,907	40,690
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	3,100,599	3,057,084	3,277,023	2,527,612
27.2 Manufacture of tubes	1,093,570	1,286,695	1,477,877	1,599,661
27.3 Other first processing of iron and steel	332,190	0	-	-
27.5 Casting of metals	3,148,973	3,465,105	3,397,060	3,182,981
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	384	128	48	749
27.2 Manufacture of tubes	3,269	4	-	-
27.3 Other first processing of iron and steel	-	-	-	-
27.5 Casting of metals	-	-	-	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
27.1 Manufacture of basic iron and steel and of ferro-alloys	SILMAK	2,027,465	743	Private
	LADNA VALAVNICA AD	726,686	1,025	Private
	RZ VALAVNICA ZA LENTI	147,089	474	Private
	ZELEZNIK	77,022	89	Private
27.2 Manufacture of tubes	11 OKTOMVRI	1,334,800	1,036	Private
	IGM- TREJD	902,857	53	Private
27.3 Other first processing of iron and steel	-	-	-	-
27.5 Casting of metals	MAKSTIL	3,191,473	850	Private
	LEARNICA MZT	285,921	399	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	56,7	82,1	71,9	291,9
27.2 Manufacture of tubes	241,8	385,1	448,7	466,1
27.3 Other first processing of iron and steel	n.a.	257,6	523,8	47,0
27.5 Casting of metals	458,8	540,6	416,7	578,2

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	864	912	430	604
27.2 Manufacture of tubes	327	334	349	319
27.3 Other first processing of iron and steel	0	0	0	0
27.5 Casting of metals	600	658	599	666

Source: State Statistical Office

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
27.1 Manufacture of basic iron and steel and of ferro-alloys	4,292	2,399	403	2,302
27.2 Manufacture of tubes	1,032	1,326	1,502	1,730
27.3 Other first processing of iron and steel	6	0	0	0
27.5 Casting of metals	1,824	2,310	2,477	2,755

Source: State Statistical Office

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

Sector-specific standards to sector 27 Production of basic metals do not exist. Producers use European norms for quality ensurance (from the type of EN ISO 9000).

From the area of technical regulations, more significant are:

- Rulebook on technical normatives for steel cords, bars and ropes for overstraining of constructions ("Official Gazette of SFRY" No. 41/85, 21/88)
- Rulebook on technical normatives for transport with transportation lines in mining (Official Gazette of SFRY No. 5/73, 12/74, 4/86 and 4/89)
- Rulebook on technical normatives for subterranean mining metal and non-metal mineral raw materials (Official Gazette of SFRY No. 24/91)
- Rulebook on technical normatives for handling explosive materials and mining in extractive industry(Official Gazette of SFRY No. 26/88 and 63/88)
- Rulebook on technical normatives for building mining-shaft magazines for explosives at the mines with subterranean mining of mineral raw materials (Official Gazette of SFRY No. 12/88)
- Rulebook on technical normatives for transport of people in mines with subterranean mining raw materials in horizontal and diagonal rooms ("Official Gazette of SFRY" No. 34/89)
- Rulebook on technical normatives for transport of people and material in the mining shafts (Official Gazette of SFRY No. 4/80, 12/85, 35/87 and 51/88)
- Rulebook on technical normatives for machines with diesel engines that are used in subterranean mining in non-methane mining shafts (Official Gazette of SFRY No. 66/78)
- Order on the appearance and use of the attested sign ("Official Gazette of SFRY" No. 4/79, 31/88)
- Order on the compulsory attesting of steel ropes for plants in mining for export ("Official Gazette SFRY" No. 27/80, 67/80)
- Order on the compulsory attesting of steel ropes for general use ("Official Gazette SFRY" No. 61/83:17/88)
- Order on compulsory attesting of screws, bases for binding of sustainable steel constructions ("Official Gazette SFRY" No. 61/85)

See [15 I II A](#) , point 4.

Note: In accordance with Article 5 of the Constitutional Law on enforcement of the Constitution of RM (Official Gazette of RM No. 52/91), the federal regulations are taken over as republic's with the jurisdictions of the bodies ordered with the Constitution of RM.

5. Incentives

- a) For investment**
- b) For exports**
- c) Other**

See [15 I II A](#), point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation**
- b) Guarantees**

See [15 I II A](#), point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas**

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)**
- b) Present or envisaged restructuring or modernisation plans**

See [15 I II A](#), point 8

See also [15 Annex 01](#)

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted**
- b) Timetable**

See [15 I II A](#), point 9.

2. Non-ferrous metals

Non-ferrous metals include:

- 27.4 Manufacture of basic precious and non-ferrous metals
- 27.41 Precious metals production
- 27.42 Aluminium production
- 27.43 Lead, zinc and tin production
- 27.44 Copper production
- 27.45 Other non-ferrous metal production

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	t	11,701	14,422	19,992	15,177
27.41 Precious metals production		-	-	-	-
27.42 Aluminium production	t	11,701	14,422	19,992	15,177
27.43 Lead, zinc and tin production		-	-	-	-
27.44 Copper production		-	-	-	-
27.45 Other non-ferrous metal production		-	-	-	-
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	t	65.3	47.2	52.6	56.5
27.41 Precious metals production		-	-	-	-
27.42 Aluminium production	t	65.3	47.2	52.6	56.5
27.43 Lead, zinc and tin production		-	-	-	-
27.44 Copper production		-	-	-	-
27.45 Other non-ferrous metal production		-	-	-	-
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	t	7,641	6,807	10,516	8,575
27.41 Precious metals production		-	-	-	-
27.42 Aluminium production	t	7,641	6,807	10,516	8,575
27.43 Lead, zinc and tin production		-	-	-	-
27.44 Copper production		-	-	-	-
27.45 Other non-ferrous metal production		-	-	-	-
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	3,705,977	5,162,490	4,307,285	2,428,896
27.41 Precious metals production	143,599	217,086	224,927	89,862
27.42 Aluminium production	477,605	390,776	581,693	624,505
27.43 Lead, zinc and tin production	3,084,773	4,554,628	3,500,665	1,714,529
27.44 Copper production	-	-	-	-
27.45 Other non-ferrous metal production	-	-	-	-
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	2,327,171	4,617,428	5,186,054	2,804,205
27.41 Precious metals production	-35,828	89,890	106,872	33,169
27.42 Aluminium production	905,104	676,942	1,035,512	944,893
27.43 Lead, zinc and tin production	890,004	3,426,095	3,422,563	1,469,941
27.44 Copper production	560,572	412,730	621,735	359,981
27.45 Other non-ferrous metal production	7,319	11,770	-627	-3,779
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	32.5	79.0	73.8	60.7
27.41 Precious metals production	156.4	64.3	85.5	55.1
27.42 Aluminium production	27.4	43.7	42.9	38.8
27.43 Lead, zinc and tin production	91.6	97.9	98.2	96.8
27.44 Copper production	-43.1	-14.4	-9.6	-25.1
27.45 Other non-ferrous metal production	-140.9	-1.6	1,585.3	413.0
Source: State Statistical Office				

2. Trade
a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	2,294	1,183	5,075	4,901
27.41 Precious metals production	0	0	3	0
27.42 Aluminium production	1,412	861	1,384	1,818
27.43 Lead, zinc and tin production	29	40	26	7
27.44 Copper production	796	254	3,659	3,058
27.45 Other non-ferrous metal production	57	29	4	18
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	6,289	4,096	11,215	10,709
27.41 Precious metals production	244	242	28	9
27.42 Aluminium production	3,557	2,739	3,810	4,638
27.43 Lead, zinc and tin production	58	38	59	23
27.44 Copper production	2,227	973	7,248	5,939
27.45 Other non-ferrous metal production	203	105	70	99
Source: State Statistical Office				

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	12,787	8,081	8,110	4,206
27.41 Precious metals production	2	2	4	3
27.42 Aluminium production	3,686	2,181	3,027	2,239
27.43 Lead, zinc and tin production	1,288	1,241	1,108	1,066
27.44 Copper production	7,775	4,610	3,931	852
27.45 Other non-ferrous metal production	36	47	39	46

Source: State Statistical Office

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	24,009	14,539	14,155	7,780
27.41 Precious metals production	299	344	585	403
27.42 Aluminium production	7,603	4,076	5,928	4,885
27.43 Lead, zinc and tin production	1,177	1,148	941	762
27.44 Copper production	14,843	8,879	6,619	1,636
27.45 Other non-ferrous metal production	88	92	82	94

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	Countries
27.4 Manufacture of basic precious and non-ferrous metals	Serbia and Montenegro, Bulgaria and Germany
27.41 Precious metals production	India, Switzerland and Serbia and Montenegro
27.42 Aluminium production	Serbia and Montenegro, Greece and Germany
27.43 Lead, zinc and tin production	Bulgaria, Serbia and Montenegro and Croatia
27.44 Copper production	Serbia and Montenegro, Germany and Bulgaria
27.45 Other non-ferrous metal production	China, Germany and Serbia and Montenegro

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination**Table: Exports to the EU (In tons)**

NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	39,168	44,593	29,308	13,953
27.41 Precious metals production	20	15	26	24
27.42 Aluminium production	2,267	1,820	2,905	3,303
27.43 Lead, zinc and tin production	35,718	42,667	26,073	9,147
27.44 Copper production	1,099	90	81	644
27.45 Other non-ferrous metal production	63	1	223	835

Source: State Statistical Office

Table: Exports to the EU
In thousands of Euro

NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	48,084	46,442	31,659	17,602
27.41 Precious metals production	3,167	2,354	2,774	1,854
27.42 Aluminium production	5,698	5,772	8,662	8,452
27.43 Lead, zinc and tin production	36,875	38,105	19,947	6,244
27.44 Copper production	2,334	210	121	802
27.45 Other non-ferrous metal production	9	1	156	249

Source: State Statistical Office

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	49,775	39,961	43,825	28,455
27.41 Precious metals production	1	3	0	0
27.42 Aluminium production	1,720	1,592	1,876	1,969
27.43 Lead, zinc and tin production	45,606	37,456	41,036	25,894
27.44 Copper production	1,323	909	909	591
27.45 Other non-ferrous metal production	1,125	1	4	0
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	50,994	37,612	36,359	21,812
27.41 Precious metals production	302	1,303	533	628
27.42 Aluminium production	2,843	3,204	3,599	3,904
27.43 Lead, zinc and tin production	45,275	31,465	30,834	16,531
27.44 Copper production	2,345	1,636	1,389	747
27.45 Other non-ferrous metal production	229	4	3	2
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
27.4 Manufacture of basic precious and non-ferrous metals	Switzerland, Italy and Germany
27.41 Precious metals production	Italy, Serbia and Montenegro and United Kingdom
27.42 Aluminium production	Австрија, Germany and Serbia and Montenegro
27.43 Lead, zinc and tin production	Switzerland, Italy and Germany
27.44 Copper production	Germany, Serbia and Montenegro and Bulgaria
27.45 Other non-ferrous metal production	Sweden, Netherlands and India
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	162.2	99.0	96.5	99.9
27.41 Precious metals production	146.5	103.0	89.7	169.7
27.42 Aluminium production	108.5	139.7	128.8	121.8
27.43 Lead, zinc and tin production	161.5	92.9	88.7	81.9
27.44 Copper production	-	-	-	-
27.45 Other non-ferrous metal production	-	-	-	-
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	49.6	22.0	35.9	46.7
27.41 Precious metals production	23.1	16.5	16.6	28.3
27.42 Aluminium production	141.7	106.2	102.2	93.5
27.43 Lead, zinc and tin production	2.4	1.6	1.7	2.8
27.44 Copper production	-	-	-	-
27.45 Other non-ferrous metal production	-	-	-	-
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	5,108	1,720	534	3,154
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	32	31	62	54
27.43 Lead, zinc and tin production	3,921	15	4	18
27.44 Copper production	1,013	0	0	134
27.45 Other non-ferrous metal production	0	1,241	7	2,948
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	1,301	251	32	721
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	8	14	24	12
27.43 Lead, zinc and tin production	1,214	7	3	4
27.44 Copper production	252	-107	0	31
27.45 Other non-ferrous metal production	-173	338	4	674
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	1.2	0.4	0.1	0.7
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	0.0	0.0	0.0	0.0
27.43 Lead, zinc and tin production	0.9	0.0	0.0	0.0
27.44 Copper production	0.2	0.0	0.0	0.0
27.45 Other non-ferrous metal production	0.0	0.3	0.0	0.7
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	0.7	0.1	0.0	0.3
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	0.0	0.0	0.0	0.0
27.43 Lead, zinc and tin production	0.6	0.0	0.0	0.0
27.44 Copper production	0.1	-0.1	0.0	0.0
27.45 Other non-ferrous metal production	-0.1	0.2	0.0	0.3
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	26	25	25	27
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	13	14	17	17
27.43 Lead, zinc and tin production	4	3	3	4
27.44 Copper production	7	5	4	4
27.45 Other non-ferrous metal production	2	3	1	2
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	2,627	1,806	742	1,445
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	27	32	38	50
27.43 Lead, zinc and tin production	1,555	11	12	13
27.44 Copper production	769	730	682	620
27.45 Other non-ferrous metal production	276	1,032	10	762
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	0.5	0.4	0.2	0.3
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	0.0	0.0	0.0	0.0
27.43 Lead, zinc and tin production	0.3	0.0	0.0	0.0
27.44 Copper production	0.2	0.2	0.1	0.1
27.45 Other non-ferrous metal production	0.1	0.2	0.0	0.2
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
27.4 Manufacture of basic precious and non-ferrous metals	S	80	23	62	21	87	24	79	25
	M	40	1	16	1	-	-	-	-
	B	4,987	2	1,641	3	446	1	3,075	2
27.41 Precious metals production	S	-	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
27.42 Aluminium production	S	32	13	31	14	62	17	54	17
	M	-	-	-	-	-	-	-	-

	B	-	-	-	-	-	-	-	-
27.43 Lead, zinc and tin production	S	23	3	15	3	4	3	18	4
	M	-	-	-	-	-	-	-	-
	B	3,898	1	-	-	-	-	-	-
27.44 Copper production	S	20	5	10	3	14	3	5	3
	M	40	1	16	1	-	-	-	-
	B	953	1	406	1	446	1	129	1
27.45 Other non-ferrous metal production	S	4	2	5	1	7	1	2	1
	M	-	-	-	-	-	-	-	-
	B	137	0	1,236	2	-	-	2,945	1

Source: State Statistical Office

S-Small M-Medium B-Big

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	174,621	65,086	266,907	36,514
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	-	-	-	-
27.43 Lead, zinc and tin production	45,313	18,324	-	-
27.44 Copper production	129,308	24,407	16,368	3,610
27.45 Other non-ferrous metal production	-	22,355	250,539	32,904

Source: State Statistical Office

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	4,316,705	2,993,792	1,663,307	2,015,620
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	7,018	6,398	5,870	8,156
27.43 Lead, zinc and tin production	1,553,162	5,883	2,638	2,503
27.44 Copper production	1,786,298	1,707,811	1,654,150	1,585,561
27.45 Other non-ferrous metal production	970,227	1,273,701	649	419,400

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments
In thousands of US Dollars

NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	1,951	1,731	-	-
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	-	-	-	-
27.43 Lead, zinc and tin production	1	-	-	-
27.44 Copper production	-	1,731	-	-
27.45 Other non-ferrous metal production	1,950	-	-	-

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
27.4 Manufacture of basic precious and non-ferrous metals	FENI INDUSTRY	2,945,310	753	Private
	SEMKORP	129,332	608	Private
27.41 Precious metals production	SEMKORP*	129,332	608	Private
27.42 Aluminium production	-	-	-	-
27.43 Lead, zinc and tin production	SEMKORP*	129,332	608	Private
27.44 Copper production	SEMKORP	129,332	608	Private
27.45 Other non-ferrous metal production	FENI INDUSTRY	2,945,310	753	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	495.3	139.2	42.7	499.0
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	309.0	423.1	623.3	246.1
27.43 Lead, zinc and tin production	780.6	604.8	281.5	310.4
27.44 Copper production	327.7	-146.9	0.4	49.4
27.45 Other non-ferrous metal production	-626.5	327.4	431.5	884.9

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	987	467	215	490
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	5	12	23	19
27.43 Lead, zinc and tin production	626	6	4	13
27.44 Copper production	266	212	185	94
27.45 Other non-ferrous metal production	90	237	4	364

Source: State Statistical Office

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
27.4 Manufacture of basic precious and non-ferrous metals	3,806	1,468	502	2,432
27.41 Precious metals production	-	-	-	-
27.42 Aluminium production	24	18	38	42
27.43 Lead, zinc and tin production	2,707	9	1	14
27.44 Copper production	761	539	460	103
27.45 Other non-ferrous metal production	314	903	3	2,273

Source: State Statistical Office

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

Sector-specific standards and technical regulations are:

- Rulebook on technical normatives for plastic modification of non-ferrous metals ("Official Gazette SFRY" No. 25/86)
- Rulebook on technical normatives for mineral raw materials preparation - non-ferrous metal ore (Official Gazette of SFRY No. 36/79)

See [15 I II A](#) , point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#) , point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#) , point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#) , point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

a)

It is planned to adopt a Law on precious metal objects that will incorporate the following EU legal acts: 51993PC0322 and 51994PC0267. The Law is foreseen to be adopted in the last quarter of 2005.

See [15 I II A](#), point 9

3. Non-energy extractive industries (metallic and non-metallic, minerals broken down by mineral type)

Non-energy extractive industries (metallic and non-metallic, minerals broken down by mineral type) include:

- 13.1 Mining of iron ores
- 13.2 Mining of non-ferrous metal ores, except uranium and thorium ores
- 14.1 Quarrying of stone
- 14.2 Quarrying of sand and clay
- 14.3 Mining of chemical and fertilizer minerals
- 14.4 Production of salt
- 14.5 Other mining and quarrying n.e.c.

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity

NACE	Supplementary Unit	2000	2001	2002	2003
13.1 Mining of iron ores	t	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	t	5,042,924	5,042,924	5,042,924	5,042,924
14.1 Quarrying of stone	t	2,561,527	2,799,896	2,812,249	2,825,519
14.2 Quarrying of sand and clay	t	1,569,238	1,592,465	1,556,300	1,225,023
14.3 Mining of chemical and fertilizer minerals	t	2,151,346	2,821,383	2,696,385	2,696,385
14.4 Production of salt	t	17,033	16,952	17,025	16,870
14.5 Other mining and quarrying n.e.c.	t	399,921	399,921	399,921	399,921

Source: State Statistical Office

Table: Utilization Rate of the Installed Production Capacity
In percent

NACE	Supplementary Unit	2000	2001	2002	2003
13.1 Mining of iron ores	t	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	t	95.1	66.7	54.0	8.2
14.1 Quarrying of stone	t	47.2	34.4	37.4	34.0
14.2 Quarrying of sand and clay	t	43.3	34.1	34.3	44.6
14.3 Mining of chemical and fertilizer minerals	t	52.9	42.0	49.3	41.6
14.4 Production of salt	t	36.2	16.7	7.9	4.6
14.5 Other mining and quarrying n.e.c.	t	21.5	19.1	13.6	19.4

Source: State Statistical Office

Table: Installed Production Capacity (by minerals)

NACE	Supplementary Unit	2003
13.10 Mining of iron ores	tons / year	0
13.20 Mining of non-ferrous metal ores		
Lead-zinc ores	tons / year	1,500,000
Lead concentrate	tons / year	45,000
Zinc concentrate **	tons / year	
Bulk lead-zinc concentrate	tons / year	145,000
Copper ore	tons / year	4,200,000
Copper concentrate	tons / year	45,000
Nickel ore	tons / year	750,000
14.10 Quarrying of stone		
Cutting marble and travertine blocks	m3 / year	41,400
Cutting granite blocks	m3 / year	2,500
Raw gypsum and anhydrides	tons / year	180,000
Lime	m3/ year	2,000,000
Dolomite		
14.20 Quarrying of sand and clay		
Bentonite	tons / year	115,000
Brick clay	tons / year	470,000
Pottery and fire / refractory clay	tons / year	30,000
14.30 Mining of chemical and fertilizer minerals		
Marl	tons / year	1,100,000
Volcanic tuffs	tons / year	200,000
14.5 Other mining and quarrying n.e.c.		
Quartz and quartzite	tons / year	120,000
Raw powder	tons / year	11,000
Raw feldspar	tons / year	20,000
Source: Ministry of Economy		
Note:		
- The data is obtained from survey questionnaires filled out by 31 legal entities that control 48 mines for production of mineral raw materials, out of the total of 99 registered mines that have concessions for exploitation.		
- The symbol ** next to the zinc concentrate indicates that it is produced by using selective method of flotation of the lead-zinc ore (in this case the capacity for production of collective lead-zinc concentrate is reduced)		

b) Present production (by volume and by value)

Table: Realized Production (by minerals)

NACE	Supplementary Unit	2000	2001	2002	2003
13.1 Mining of iron ores	tons / year	0	0	0	0
13.2 Mining of non-ferrous metal ores					
Lead-zinc ores	tons / year	812,993	571,802	245,753	21,085
Lead concentrate	tons / year	16,180	9,672	3,528	0
Zinc concentrate	tons / year	12,159	6,344	2,133	0
Bulk lead-zinc concentrate	tons / year	61,520	61,731	25,998	2,567
Copper ore	tons / year	3,789,000	2,650,000	2,334,187	362,600
Copper concentrate	tons / year	49,124	25,012	22,566	2,945
Nickel ore	tons / year	0	488,717*	625,507*	699,972*
14.1 Quarrying of stone					
Cutting marble and travertine blocks	m3/ year	8,762	12,787	18,614	21,564
Cutting granite blocks	m3/ year	101	336	101	0
Raw gypsum and anhydrides	tons / year	59,980	74,000	129,266	150,618
Limestone	m3/ year	645,479	465,606	537,534	505,123
Dolomite	tons / year	243,343	110,846	181,145	157,046

14.2 Quarrying of sand and clay					
Silicate sand (quartz and industrial)	m3/ year		89,716	108,966	84,929
Standard sand	m3/ year	77,214	67,834	48,458	81,514
Bentonite	tons / year	10,396	9,927	17,420	6,013
14.30 Mining of chemical and fertilizer minerals					
Marl	tons / year	914,430	1,025,425	1,110,950	872,345
Volcanic tuffs	tons / year	203,245	154,590	192,161	134,310
14.5 Other mining and quarrying n.e.c.					
Quartz	tons / year	34,681	23,033		6,537
Quartzite	tons / year	9,599	16,053	314	1,986
Raw powder	tons / year	14,689	9,279	4,662	3,271
Raw feldspar	tons / year	10,057	20,449	22,800	25,640
Other not mentioned non-metal raw materials	tons / year	38,550	12,655	15,189	113,068
Source: State Statistical Office and Ministry of Economy					
Note: * Data not available at the State Statistical Office					

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
13.1 Mining of iron ores	t	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	t	4,795,821	3,364,730	2,721,069	412,434
14.1 Quarrying of stone	t	1,209,325	964,021	1,052,118	960,712
14.2 Quarrying of sand and clay	t	679,636	543,693	534,068	546,513
14.3 Mining of chemical and fertilizer minerals	t	1,138,062	1,184,981	1,329,318	1,122,583
14.4 Production of salt	t	6,166	2,831	1,345	776
14.5 Other mining and quarrying n.e.c.	t	85,983	76,278	54,224	77,523
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	396,507	553,318	423,541	69,019
14.1 Quarrying of stone	503,918	455,140	450,417	537,427
14.2 Quarrying of sand and clay	270,962	234,877	199,543	193,289
14.3 Mining of chemical and fertilizer minerals	895,228	950,741	1,040,059	944,569
14.4 Production of salt	42,638	16,700	10,617	4,194
14.5 Other mining and quarrying n.e.c.	90,576	102,909	93,492	83,463
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	0	-2,470	-1,924	-53
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	-134,411	7,173	51,323	91,753
14.1 Quarrying of stone	209,464	111,317	19,263	-17,785
14.2 Quarrying of sand and clay	255,816	269,135	218,344	221,166
14.3 Mining of chemical and fertilizer minerals	1,099,436	1,122,411	1,265,185	993,715
14.4 Production of salt	196,841	158,931	168,464	166,299
14.5 Other mining and quarrying n.e.c.	-41,582	34,716	25,833	34,090
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	100.0	100.0	486.5
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	218.3	-2,089.2	63.3	-20.1
14.1 Quarrying of stone	83.4	76.2	-15.7	226.4
14.2 Quarrying of sand and clay	59.3	63.1	55.7	59.0
14.3 Mining of chemical and fertilizer minerals	79.2	82.3	80.4	88.8
14.4 Production of salt	19.1	8.7	3.5	-2.3
14.5 Other mining and quarrying n.e.c.	179.9	8.9	-46.5	1.9
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, state the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	21	20	5	2,417
14.1 Quarrying of stone	2,774	1,829	1,890	2,387
14.2 Quarrying of sand and clay	1,939	1,124	1,694	1,269
14.3 Mining of chemical and fertilizer minerals	62	55	80	60
14.4 Production of salt	22,757	17,457	16,322	22,086
14.5 Other mining and quarrying n.e.c.	796	756	928	748
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euros				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	5	5	2	95
14.1 Quarrying of stone	432	243	172	231
14.2 Quarrying of sand and clay	454	233	356	325
14.3 Mining of chemical and fertilizer minerals	20	9	28	20
14.4 Production of salt	1,507	1,251	1,023	1,249
14.5 Other mining and quarrying n.e.c.	295	284	361	303
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	20
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	16,576	10,091	3,342	50,373
14.1 Quarrying of stone	1,313	1,596	1,565	1,176
14.2 Quarrying of sand and clay	14,793	14,605	15,525	14,630
14.3 Mining of chemical and fertilizer minerals	73,982	64,729	79,345	37,861
14.4 Production of salt	9,630	10,512	19,175	15,296
14.5 Other mining and quarrying n.e.c.	736	514	909	1,184
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euros				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	3
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	2,624	2,620	432	1,682
14.1 Quarrying of stone	141	192	193	136
14.2 Quarrying of sand and clay	1,261	1,396	1,230	1,156
14.3 Mining of chemical and fertilizer minerals	3,752	3,243	4,030	1,780
14.4 Production of salt	1,115	1,134	1,643	1,526
14.5 Other mining and quarrying n.e.c.	253	237	259	243
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
13.1 Mining of iron ores	Bosnia and Herzegovina
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	Serbia and Montenegro, Turkey and Morocco
14.1 Quarrying of stone	Italy, Greece and Bulgaria
14.2 Quarrying of sand and clay	The Czech Republic, Serbia and Montenegro and Bulgaria
14.3 Mining of chemical and fertilizer minerals	Syria, Togo and Israel
14.4 Production of salt	Greece, Bosnia and Herzegovina and Egypt
14.5 Other mining and quarrying n.e.c.	Greece, Turkey and Germany
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	-	-	-	1,374
14.1 Quarrying of stone	16,787	31,904	28,231	33,540
14.2 Quarrying of sand and clay	1,074	861	2,575	2,385
14.3 Mining of chemical and fertilizer minerals	936	1,136	1,257	900
14.4 Production of salt	144	146	59	91
14.5 Other mining and quarrying n.e.c.	1,917	6,598	3,978	4,881
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euros				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	-	-	-	358
14.1 Quarrying of stone	3,765	4,968	6,457	8,587
14.2 Quarrying of sand and clay	70	61	123	98
14.3 Mining of chemical and fertilizer minerals	106	138	140	111
14.4 Production of salt	12	12	3	7
14.5 Other mining and quarrying n.e.c.	23	88	53	64
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	1,787	1,326	218
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	56,928	63,578	52,121	6,789
14.1 Quarrying of stone	39,742	12,004	12,148	12,840
14.2 Quarrying of sand and clay	111,921	20,754	24,211	11,976
14.3 Mining of chemical and fertilizer minerals	14,345	9,622	2,867	73,238
14.4 Production of salt	408	171	775	1,248
14.5 Other mining and quarrying n.e.c.	42,665	16,863	19,455	20,187
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euros				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	41	32	4
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	12,154	12,159	7,425	1,065
14.1 Quarrying of stone	1,687	1,110	979	842
14.2 Quarrying of sand and clay	1,894	1,006	1,154	929
14.3 Mining of chemical and fertilizer minerals	296	297	234	900
14.4 Production of salt	70	36	75	124
14.5 Other mining and quarrying n.e.c.	2,705	1,551	1,677	1,287
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
13.1 Mining of iron ores	Bulgaria
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	Bulgaria, Panama and Serbia and Montenegro
14.1 Quarrying of stone	Greece, Italy and Bosnia and Herzegovina
14.2 Quarrying of sand and clay	Serbia and Montenegro, Croatia and Greece
14.3 Mining of chemical and fertilizer minerals	Serbia and Montenegro, Greece and Bulgaria
14.4 Production of salt	Serbia and Montenegro, Greece and Bulgaria
14.5 Other mining and quarrying n.e.c.	Serbia and Montenegro, Bulgaria and Slovenia
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	185.9	133.7	107.2	126.7
14.1 Quarrying of stone	65.7	81.4	100.7	107.5
14.2 Quarrying of sand and clay	44.0	27.7	39.1	32.5
14.3 Mining of chemical and fertilizer minerals	2.7	2.8	2.2	6.6
14.4 Production of salt	11.6	17.5	44.8	192.0
14.5 Other mining and quarrying n.e.c.	182.6	97.0	112.8	99.2
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	40.1	28.9	6.3	159.7
14.1 Quarrying of stone	6.9	5.8	4.9	4.2
14.2 Quarrying of sand and clay	38.4	42.2	48.5	47.0
14.3 Mining of chemical and fertilizer minerals	25.5	20.8	23.8	11.8
14.4 Production of salt	373.3	870.0	1,531.6	4,055.1
14.5 Other mining and quarrying n.e.c.	36.7	30.8	40.5	40.1
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	51
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	1,587	1,025	354	144
14.1 Quarrying of stone	901	823	1,094	1,091
14.2 Quarrying of sand and clay	218	209	255	212
14.3 Mining of chemical and fertilizer minerals	5	19	29	19
14.4 Production of salt	53	24	10	8
14.5 Other mining and quarrying n.e.c.	848	498	480	451
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	19
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	864	504	12	53
14.1 Quarrying of stone	540	497	698	672
14.2 Quarrying of sand and clay	55	35	38	33
14.3 Mining of chemical and fertilizer minerals	2	10	13	5
14.4 Production of salt	12	8	3	2
14.5 Other mining and quarrying n.e.c.	332	232	178	216
Source: State Statistical Office				

**Table: Gross Output / Total Gross Output of Industry
In percent**

NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	0.0
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	0.4	0.3	0.0	0.0
14.1 Quarrying of stone	0.3	0.3	0.4	0.3
14.2 Quarrying of sand and clay	0.0	0.0	0.0	0.0
14.3 Mining of chemical and fertilizer minerals	0.0	0.0	0.0	0.0
14.4 Production of salt	0.0	0.0	0.0	0.0
14.5 Other mining and quarrying n.e.c.	0.2	0.1	0.1	0.1

Source: State Statistical Office

**Table: Gross Value Added / Total Gross Value Added of industry
In percent**

NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	0.0
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	0.4	0.3	0.0	0.0
14.1 Quarrying of stone	0.3	0.3	0.4	0.3
14.2 Quarrying of sand and clay	0.0	0.0	0.0	0.0
14.3 Mining of chemical and fertilizer minerals	0.0	0.0	0.0	0.0
14.4 Production of salt	0.0	0.0	0.0	0.0
14.5 Other mining and quarrying n.e.c.	0.2	0.1	0.1	0.1

Source: State Statistical Office

b) Number of enterprises**Table: Number of Enterprises**

NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	1
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	4	4	4	2
14.1 Quarrying of stone	24	29	37	35
14.2 Quarrying of sand and clay	10	10	7	12
14.3 Mining of chemical and fertilizer minerals	1	2	2	2
14.4 Production of salt	2	2	1	1
14.5 Other mining and quarrying n.e.c.	16	14	18	17

Source: State Statistical Office

c) Number of working positions, percentage of total number of working positions in the industry**Table: Number of Working Positions**

NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	156
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	3,117	3,120	2,589	2
14.1 Quarrying of stone	1,133	1,352	1,182	993
14.2 Quarrying of sand and clay	277	130	120	123
14.3 Mining of chemical and fertilizer minerals	3	52	51	50
14.4 Production of salt	52	50	10	9
14.5 Other mining and quarrying n.e.c.	2,060	944	910	776

Source: State Statistical Office

Table: Number of Employees / Total Number of Employees in the Industry In percent				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	0.0
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	0.6	0.6	0.5	0.0
14.1 Quarrying of stone	0.2	0.3	0.2	0.2
14.2 Quarrying of sand and clay	0.1	0.0	0.0	0.0
14.3 Mining of chemical and fertilizer minerals	0.0	0.0	0.0	0.0
14.4 Production of salt	0.0	0.0	0.0	0.0
14.5 Other mining and quarrying n.e.c.	0.4	0.2	0.2	0.2
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
13.1 Mining of iron ores	S	-	-	-	-	-	-	51	1
	M	-	-	-	-	-	-	-	-
	L	-	-	-	-	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	S	41	1	26	1	85	2	144	2
	M	-	-	-	-	-	-	-	-
	L	1,546	3	999	3	269	2	-	-
14.1 Quarrying of stone	S	149	21	160	24	271	34	246	32
	M	251	2	209	3	-	-	128	2
	L	501	1	455	2	823	3	716	1
14.2 Quarrying of sand and clay	S	172	9	29	9	31	6	50	11
	M	45	1	180	1	225	1	162	1
	L	-	-	-	-	-	-	-	-
14.3 Mining of chemical and fertilizer minerals	S	5	1	19	2	29	2	19	2
	M	-	-	-	-	-	-	-	-
	L	-	-	-	-	-	-	-	-
14.4 Production of salt	S	53	2	24	2	10	1	8	1
	M	-	-	-	-	-	-	-	-
	L	-	-	-	-	-	-	-	-
14.5 Other mining and quarrying n.e.c.	S	344	12	220	11	293	15	249	13
	M	172	3	278	3	17	1	202	4
	L	331	1	-	-	170	2	-	-
Source: State Statistical Office S-Small M-Medium L-Large									

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	86,477	85,381	-	-
14.1 Quarrying of stone	15,238	207,622	297,513	60,527
14.2 Quarrying of sand and clay	1,691	-	-	-
14.3 Mining of chemical and fertilizer minerals	-	-	-	-
14.4 Production of salt	5,839	7,595	-	-
14.5 Other mining and quarrying n.e.c.	10,464	13,760	9,187	54,046

Source: State Statistical Office

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	2,183,846	1,889,507	1,021,771	15,027
14.1 Quarrying of stone	617,294	803,580	948,051	1,051,200
14.2 Quarrying of sand and clay	49,172	6,312	8,279	10,215
14.3 Mining of chemical and fertilizer minerals	5,881	10,575	10,250	8,733
14.4 Production of salt	6,732	6,471	3,705	3,374
14.5 Other mining and quarrying n.e.c.	1,340,133	324,785	390,584	348,473

Source: State Statistical Office

Statistical data for the remaining issues of question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments
In thousands of US Dollars

NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	-	-	-	-
14.1 Quarrying of stone	9,347	1,687	288	26
14.2 Quarrying of sand and clay	-	-	-	-
14.3 Mining of chemical and fertilizer minerals	-	-	-	-
14.4 Production of salt	-	-	-	-
14.5 Other mining and quarrying n.e.c.	-	-	-	-

Source: State Statistical Office

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises					
NACE	Enterprises	Gross Output in thousands of MKD	Realized Production in tons	Number of Employees	Type of Ownership
13.1 Mining of iron ores	-	-	-	-	-
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	ZLETOVO	213,000	170,110**	1,462	Private
	SASA	455,260	291,400**	1,126	Private
	TORANICA	242,693	178,800**	579	Private
	SEMCORP (BUCIM)	574,636	2,613,000**	608	Private
	FENI INDUSTRY	513,300	69,970	415	Private
14.1 Quarrying of stone	FHL MERMEREN KOMBINAT	716,372	21,560 m ³	550	Private
	BANJANI	89,437	155,790	196	Private
	LARIN MRAMOR KOMPANI	60,204	4,100 m ³	30	Private
	RUDNIK DEMIR HISAR	38,972	110,110	93	Private
14.2 Quarrying of sand and clay	KIRO KUCUK	58,000	280,100	64	Private
14.3 Mining of chemical and fertilizer minerals	CEMENTARNICA USJE	83,935	872,345	19	Private
	STRMOS	52,843	134,310	51	Private
14.4 Production of salt	-	-	-	-	-
14.5 Other mining and quarrying n.e.c.	OGRAZDEN	138,074	25,640	182	Private
	SILEKS NEMETALI	12,413	3,080	180	Private

Source: Ministry of Economy

Note:

- Maximum realized production of: ZLETOVO - 472.850 tons in 1987; SASA - 625.000 tons in 1989; TORANICA - 312.320 tons in 1990 and BUCIM - 4.123.000 tons in 1997.

- The symbol ** next to the figures for realized production in tons indicates that the data are for 2001, except for TORANICA where the data are for 2000.

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	122.8
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	277.2	161.6	4.5	26,584.2
14.1 Quarrying of stone	476.2	367.4	590.6	676.9
14.2 Quarrying of sand and clay	200.0	266.4	313.1	267.6
14.3 Mining of chemical and fertilizer minerals	619.1	190.6	264.2	107.1
14.4 Production of salt	226.6	163.5	335.9	187.6
14.5 Other mining and quarrying n.e.c.	161.4	245.8	195.2	279.0

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of employees In thousands of MKD				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	24
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	822	766	528	1
14.1 Quarrying of stone	322	395	377	325
14.2 Quarrying of sand and clay	47	31	30	29
14.3 Mining of chemical and fertilizer minerals	1	11	10	10
14.4 Production of salt	10	9	2	2
14.5 Other mining and quarrying n.e.c.	417	197	218	206
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
13.1 Mining of iron ores	-	-	-	32
13.2 Mining of non-ferrous metal ores, except uranium and thorium ores	723	520	343	91
14.1 Quarrying of stone	362	326	396	418
14.2 Quarrying of sand and clay	162	174	218	179
14.3 Mining of chemical and fertilizer minerals	3	9	16	13
14.4 Production of salt	42	16	7	6
14.5 Other mining and quarrying n.e.c.	515	266	302	234
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is much more lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2) c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is much more lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with fewer than 10 employees were not taken into consideration.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

Standards and regulations specific for the sector:

1. Rulebook on classification and categorization of solid mineral raw materials reserves and keeping evidence ("Official Gazette of RM" No. 53/79)
2. Rulebook on technical normatives for subterranean mining metal and non-metal mineral raw materials (Official Gazette of SFRY No. 24/91)
3. Rulebook on technical normatives for surface mining of mineral raw materials (Official Gazette of SFRY No. 4/86 and 62/87)
4. Rulebook on technical normatives for mineral raw materials preparation of non-ferrous metal ore (Official Gazette of SFRY No. 36/79)
5. Rulebook on technical normatives for surface mining of architectural-building stone (decorative stone), building stone, gravel and sand and for processing of architectural-building stone (Official Gazette of SFRY No. 11/86)
6. Rulebook on technical normatives for transport with transportation lines in mining (Official Gazette of SFRY No. 5/73, 12/74, 4/86 and 4/89)
7. Rulebook on technical normatives for handling explosive materials and mining in extractive industry (Official Gazette of SFRY No. 26/88 and 63/88)
8. Rulebook on technical normatives for building mining-shaft magazines for explosives at the mines with subterranean mining of mineral raw materials (Official Gazette of SFRY No. 12/88)
9. Rulebook on technical normatives for transport of people and material in the mining shafts (Official Gazette of SFRY No. 4/80, 12/85, 35/87 and 51/88)
10. Rulebook on technical normatives for machines with diesel engines that are used in subterranean mining in non-methane mining shafts (Official Gazette of SFRY No. 66/78)
11. Rulebook on technical normatives for electric equipment and machinery in the mines with subterranean mining (Official Gazette of SFRY No. 21/88 and 90/91)
12. Rulebook on technical normatives for electric equipment and machinery in the mines with surface mining of mineral raw materials (Official Gazette of SFRY No. 66/87)
13. Decision determining the criteria and the amount of concession fee for undertaking detailed geological surveys and exploitation of mineral raw materials (Official Gazette of Republic of Macedonia No. 51/03)

For protection of the environment:

See [15 I II A](#) point 4

5. Incentives

- a) For investment
- b) For exports
- c) Other

See [15 I II A](#), point 5

6. Rules on foreign investments

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation
- b) Guarantees

See [15 I II A](#), point 6

7. System of trade

- a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

(These calculations are based on the plans prepared in the course of the sale of the mines)

These calculations are based on the plans prepared in the sector of the mining

Table: Envisaged Investments In Euro					
NACE	2005	2006	2007	2008	2009
13.1 Mining of iron ores	0	0	0	0	0
13.2 Mining of non-ferrous metal ores					
Lead-zinc ores **	8.138.200	6.178.750	5.157.900		
Copper ore ***	3.326.000	2.769.300	1.148.800		
Nickel ore	3.149.600				
14.1 Quarrying of stone					
Marble blocks	2.000.000				
Travertine blocks	1.580.000				
Granite blocks	1.000.000				
Raw gypsum	600.000				
Lime and dolomite	1.000.000				
14.2 Quarrying of sand and clay	750.000				
Source: Ministry of Economy					
Note: - The envisaged investments in the sector of metallic mineral raw materials are invested assets by foreign persons, while in the sector of non-metallic mineral raw materials the share of the foreign investments amounts to 50%. - The symbol ** next to the lead-zinc ores specifies that with restructuring and technological revitalization of the three mines of lead and zinc, with exploitation of 1.500.000 tons of ore, production of 44.000 tons of selected lead concentrate and 146.000 tons of collective lead-zinc concentrate per year and average LME prices for the period 1994-2003, conditions will be created for achieving profit of 13.090.000 Euro per year. - The symbol *** next to the copper ore specifies that with restructuring and technological revitalization of the copper mine BUCIM, with exploitation of 4.200.000 tons of ore and production of 41.200 tons of copper concentrate and average prices LME for the past 27 months (concluded with June 2004), conditions will be created for achieving profit of 5.124.400 Euro per year.					

b) Present or envisaged restructuring or modernisation plans

(These calculations are based on the plans prepared in the course of the sale of the mines)

These calculations are based on the plans prepared in the course of the sale of the mines)

Table: Envisaged Investments					
NACE	2005	2006	2007	2008	2009
13.1 Mining of iron ores	No plans for restructuring or modernization				
13.2 Mining of non-ferrous metal ores					
Lead-zinc ores	Restructuring and modernization of the existing equipment in mines and flotation Procurement of new equipment in mines and flotation Construction of new dross landfill in "SASA" mines				
Copper ore	Restructuring of the existing equipment and procurement of dampers for the "BUCIM" mine Procurement of process analyzer in flotation Extension of dross landfill				
Nickel ore	Investment in equipment for transport and disposal of (mine) thaw				
14.1 Quarrying of stone*	Restructuring of the existing mines in order to modernize the exploitation and optimize the use of the installed production capacities				
14.2 Quarrying of sand and clay	Modernization of the exploitation and opening of new deposits of mineral raw materials				
Source: Ministry of Economy					
Note:					
The symbol * next to quarrying of stone indicates that the Investments are in marble, granite, travertine, raw gypsum, lime and dolomite mines					

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

The main act that regulates the field of mineral raw materials and extractive industries is the Law on Mineral Resources ("Official Gazette of RM" No. 18/99 and 29/02).

Constitutional basis for passing this law is article 56 paragraph 1 from the Constitution of the Republic of Macedonia, according to which the goods for general use determined by law, are goods of public welfare and they are under special protection, as well as under paragraph 3 from this article according to which by law are determined the manner and conditions under which these goods can be transferred for utilization.

Other laws that regulate this area are:

- Law on Concessions ("Official Gazette of RM" No. 25/2002, 24/2003)
- Law on Technical Inspection ("Official Gazette of RM" No. 48/99)
- Law on Construction of Investment Objects ("Official Gazette of RM" No. 15/90, 11/91, 11/94, 18/99,)
- Law on Units of Measurement and Meters ("Official Gazette of RM" No. 23/95)
- Law on Protection at Work ("Official Gazette of RM" No. 13/98, 33/00, 29/02)
- Law on Agricultural Land ("Official Gazette of RM" No. 25/98, 18/99 и 2/04)
- Law on Construction Land ("Official Gazette of RM" No. 53/01 и 97/01)
- Law on Forests ("Official Gazette of RM" No. 47/97, 7/2000)
- Law on Protection from Explosive Materials ("Official Gazette of RM" No. 4/78, 10/78, 51/88, 36/90 и 12/93)
- Law on Traffic of Explosive Materials (Official Gazette of SFRY No. 30/85, 6/89 и 53/91 and Official Gazette of RM No. 12/93)

In respect of the Law on Concessions it is important to emphasize that this Law regulates the method and procedure for gaining concessions in the mineral area, as well as all other areas for which concessions are required.

New draft proposal to the Law on Mineral Resources is prepared because the implementation of the National programme on approximation of the legislation of the Republic of Macedonia to the EU legislation requires additional provisions to this Law. The new provisions are in direction of creating conditions for sustainable development with the exploitation of mineral raw materials which are non-renewable natural resource. Additionally, the new provisions envisage optimal protection of the environment.

These objectives will be achieved implicitly through the Law on Environment Protection, Law on Waters and by including provisions from five directives of the European Union and two international agreements in the area of natural resources management in the Law on Mineral Resources. These are:

- Directive 85/337/EEC and the provisions to Directive 97/11/EC for assessment of the effects of certain public and private projects on the environment;
- Directive 96/61/EC concerning integrated pollution prevention and control;
- Directive 2001/42/EC for assessment of the effects of certain plans and programmes on the environment;
- Directive 2003/4/EC for public access to environmental information;
- Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy;
- Aarhus Convention of the United Nations on Access to Information, Public Participation in Decision-making and Access to the rights in Environmental Matters
- Kiev Protocol on Strategic Environmental Assessment.

For implementation of the targets for sustainable development in the mineral sector within industry, the Government of the Republic of Macedonia, in accordance with the provisions of the draft proposal of the Law on Mineral Resources, will prepare National Programme and long term plans for

sustainable use of the more significant mineral raw materials. These strategic documents will determine the intensity and dynamics of exploitation of the mineral raw materials by respecting the features and size of the ore reserves of separate mineral raw materials, as well as the need for their valorization on the domestic and international market.

b) Timetable

Time limit for enforcement of the draft proposal of the Law on Mineral Resources is March 2005. Administrator of the project is the Ministry of Economy.

In the course of 2005 seven rulebooks that are envisaged in the draft proposal of the Law on Mineral Resources will be prepared while the rest of the rulebooks will be completed during 2006 and 2007.

The Ministry of Economy is the administrator for preparing the rulebooks.

4. Ceramics

Ceramics include:

- 26.21 Manufacture of ceramic household and ornamental articles
- 26.22 Manufacture of ceramic sanitary fixtures
- 26.23 Manufacture of ceramic insulators and insulating fittings
- 26.24 Manufacture of other technical ceramic products
- 26.25 Manufacture of other ceramic products
- 26.26 Manufacture of refractory ceramic products
- 26.3 Manufacture of ceramic tiles and flags
- 26.4 Manufacture of bricks, tiles and construction products, in baked clay
- 26.7 Cutting, shaping and finishing of ornamental and building stone
- 26.8 Manufacture of other non-metallic mineral products

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles		-	-	-	-
26.22 Manufacture of ceramic sanitary fixtures	t	5,691	5,542	5,423	5,859
26.23 Manufacture of ceramic insulators and insulating fittings		-	-	-	-
26.24 Manufacture of other technical ceramic products		-	-	-	-
26.25 Manufacture of other ceramic products		-	-	-	-
26.26 Manufacture of refractory ceramic products	t	7,200	6,860	7,502	7,260
26.3 Manufacture of ceramic tiles and flags	t	7,418	1,290	1,290	1,290
26.4 Manufacture of bricks, tiles and construction products, in baked clay	Thous.PCE	682,160	397,100	404,838	353,494
26.7 Cutting, shaping and finishing of ornamental and building stone	t	24,909	39,445	51,628	50,951
26.8 Manufacture of other non-metallic mineral products	t	69,269	69,269	69,269	69,269
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles		-	-	-	-
26.22 Manufacture of ceramic sanitary fixtures	t	77.1	92.4	94.1	73.0
26.23 Manufacture of ceramic insulators and insulating fittings		-	-	-	-
26.24 Manufacture of other technical ceramic products		-	-	-	-
26.25 Manufacture of other ceramic products		-	-	-	-

26.26 Manufacture of refractory ceramic products	t	55.4	71.1	68.7	59.9
26.3 Manufacture of ceramic tiles and flags	t	77.8	9.8	77.8	26.7
26.4 Manufacture of bricks, tiles and construction products, in baked clay	Thous.PCE	92.5	81.8	87.2	87.5
26.7 Cutting, shaping and finishing of ornamental and building stone	t	60.4	63.8	64.7	61.2
26.8 Manufacture of other non-metallic mineral products	t	50.7	45.4	41.8	42.1
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles		-	-	-	-
26.22 Manufacture of ceramic sanitary fixtures	t	4,388	5,121	5,103	4,277
26.23 Manufacture of ceramic insulators and insulating fittings		-	-	-	-
26.24 Manufacture of other technical ceramic products		-	-	-	-
26.25 Manufacture of other ceramic products		-	-	-	-
26.26 Manufacture of refractory ceramic products	t	3,989	4,875	5,154	4,351
26.3 Manufacture of ceramic tiles and flags	t	5,771	126	1,004	344
26.4 Manufacture of bricks, tiles and construction products, in baked clay	Thous.PCE	630,998	324,828	353,019	309,307
26.7 Cutting, shaping and finishing of ornamental and building stone	t	15,045	25,166	33,403	31,182
26.8 Manufacture of other non-metallic mineral products	t	35,125	31,447	28,988	29,131
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	155,740	67,145	54,429	13,372
26.22 Manufacture of ceramic sanitary fixtures	243,152	299,904	291,753	248,133
26.23 Manufacture of ceramic insulators and insulating fittings	-	-	-	-
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	-	-	-	-
26.26 Manufacture of refractory ceramic products	115,045	137,504	154,845	124,439
26.3 Manufacture of ceramic tiles and flags	93,564	1,400	12,042	6,315
26.4 Manufacture of bricks, tiles and construction products, in baked clay	1,603,515	1,619,587	1,294,248	1,158,357
26.7 Cutting, shaping and finishing of ornamental and building stone	190,635	422,908	374,092	497,766
26.8 Manufacture of other non-metallic mineral products	513,155	494,312	586,947	478,529
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	126,671	43,186	83,948	70,588
26.22 Manufacture of ceramic sanitary fixtures	86,194	91,641	98,900	135,862
26.23 Manufacture of ceramic insulators and insulating fittings	18,109	14,519	10,756	11,513
26.24 Manufacture of other technical ceramic products	0	0	0	0
26.25 Manufacture of other ceramic products	2,402	769	966	460
26.26 Manufacture of refractory ceramic products	179,096	197,140	249,303	344,634

26.3 Manufacture of ceramic tiles and flags	485,172	334,030	522,074	571,729
26.4 Manufacture of bricks, tiles and construction products, in baked clay	1,367,952	1,511,335	1,355,689	1,326,486
26.7 Cutting, shaping and finishing of ornamental and building stone	209,041	390,340	285,248	467,371
26.8 Manufacture of other non-metallic mineral products	483,676	385,942	513,010	671,634
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	61.0	-9.2	20.8	6.6
26.22 Manufacture of ceramic sanitary fixtures	36.3	59.5	43.4	49.3
26.23 Manufacture of ceramic insulators and insulating fittings	-18.3	-13.4	-5.2	-6.4
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	-6.1	-21.5	-3.1	-18.6
26.26 Manufacture of refractory ceramic products	2.7	5.1	14.1	13.1
26.3 Manufacture of ceramic tiles and flags	15.7	-0.6	1.7	0.3
26.4 Manufacture of bricks, tiles and construction products, in baked clay	82.7	89.9	84.5	82.1
26.7 Cutting, shaping and finishing of ornamental and building stone	41.1	71.8	49.4	60.2
26.8 Manufacture of other non-metallic mineral products	24.1	32.8	48.0	27.5
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU (In tons)				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	155	214	453	118
26.22 Manufacture of ceramic sanitary fixtures	263	191	202	125
26.23 Manufacture of ceramic insulators and insulating fittings	6	0	1	7
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	5	8	3	2
26.26 Manufacture of refractory ceramic products	1,811	2,349	2,257	3,970
26.3 Manufacture of ceramic tiles and flags	13,341	9,790	15,836	15,364
26.4 Manufacture of bricks, tiles and construction products, in baked clay	1,523	685	418	341
26.7 Cutting, shaping and finishing of ornamental and building stone	1,547	1,242	1,875	3,560
26.8 Manufacture of other non-metallic mineral products	1,700	2,182	1,747	3,917
Source: State Statistical Office				

Table: Imports from the EU
In thousands of Euro

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	258	243	291	173
26.22 Manufacture of ceramic sanitary fixtures	340	222	319	261
26.23 Manufacture of ceramic insulators and insulating fittings	58	2	11	35
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	31	14	7	6
26.26 Manufacture of refractory ceramic products	1,990	2,138	2,627	3,553
26.3 Manufacture of ceramic tiles and flags	4,040	2,734	4,361	4,787
26.4 Manufacture of bricks, tiles and construction products, in baked clay	81	33	22	20
26.7 Cutting, shaping and finishing of ornamental and building stone	485	344	542	908
26.8 Manufacture of other non-metallic mineral products	1,450	1,554	1,547	2,687

Source: State Statistical Office

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	884	1,026	1,618	1,931
26.22 Manufacture of ceramic sanitary fixtures	647	460	701	896
26.23 Manufacture of ceramic insulators and insulating fittings	153	129	103	90
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	8	1	35	19
26.26 Manufacture of refractory ceramic products	6,899	4,876	5,184	5,773
26.3 Manufacture of ceramic tiles and flags	10,090	10,900	15,897	18,228
26.4 Manufacture of bricks, tiles and construction products, in baked clay	43,417	33,302	39,986	42,643
26.7 Cutting, shaping and finishing of ornamental and building stone	9,675	7,951	12,023	12,339
26.8 Manufacture of other non-metallic mineral products	7,841	4,439	4,456	11,972

Source: State Statistical Office

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	558	532	799	899
26.22 Manufacture of ceramic sanitary fixtures	564	388	598	863
26.23 Manufacture of ceramic insulators and insulating fittings	295	268	174	165
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	11	1	11	3
26.26 Manufacture of refractory ceramic products	882	931	880	1,328
26.3 Manufacture of ceramic tiles and flags	2,695	2,783	4,056	4,519
26.4 Manufacture of bricks, tiles and construction products, in baked clay	3,811	2,490	3,415	3,847
26.7 Cutting, shaping and finishing of ornamental and building stone	1,628	1,462	1,823	2,130
26.8 Manufacture of other non-metallic mineral products	4,736	2,858	2,844	5,265

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	Countries
26.21 Manufacture of ceramic household and ornamental articles	China, Greece and Bulgaria
26.22 Manufacture of ceramic sanitary fixtures	Croatia, Italy and Serbia and Montenegro
26.23 Manufacture of ceramic insulators and insulating fittings	Serbia and Montenegro, Bulgaria and Germany
26.24 Manufacture of other technical ceramic products	-
26.25 Manufacture of other ceramic products	Italy, United Kingdom and China
26.26 Manufacture of refractory ceramic products	Germany, Serbia and Montenegro and Austria
26.3 Manufacture of ceramic tiles and flags	Serbia and Montenegro, Spain and Italy
26.4 Manufacture of bricks, tiles and construction products, in baked clay	Serbia and Montenegro, Bulgaria and Greece
26.7 Cutting, shaping and finishing of ornamental and building stone	Bulgaria, Italy and Greece
26.8 Manufacture of other non-metallic mineral products	Serbia and Montenegro, Slovenia and Italy
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destinationTable: Exports to the EU
In tons

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	306	536	155	40
26.22 Manufacture of ceramic sanitary fixtures	297	403	327	230
26.23 Manufacture of ceramic insulators and insulating fittings	1	-	-	0
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	-	0	0	3
26.26 Manufacture of refractory ceramic products	-	3	-	-
26.3 Manufacture of ceramic tiles and flags	22	10	-	31
26.4 Manufacture of bricks, tiles and construction products, in baked clay	49	18	-	-
26.7 Cutting, shaping and finishing of ornamental and building stone	960	6,632	8,841	7,069
26.8 Manufacture of other non-metallic mineral products	70	12	2	2
Source: State Statistical Office				

Table: Exports to the EU
In thousands of Euro

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	269	309	49	37
26.22 Manufacture of ceramic sanitary fixtures	325	451	357	240
26.23 Manufacture of ceramic insulators and insulating fittings	4	-	-	2
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	-	0	0	1
26.26 Manufacture of refractory ceramic products	-	1	-	-
26.3 Manufacture of ceramic tiles and flags	1	1	-	18
26.4 Manufacture of bricks, tiles and construction products, in baked clay	2	1	-	-
26.7 Cutting, shaping and finishing of ornamental and building stone	458	1,629	3,457	3,089
26.8 Manufacture of other non-metallic mineral products	67	32	1	1
Source: State Statistical Office				

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	578	484	317	79
26.22 Manufacture of ceramic sanitary fixtures	3,414	3,833	3,851	2,915
26.23 Manufacture of ceramic insulators and insulating fittings	11	6	3	2
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	0	1	0	1
26.26 Manufacture of refractory ceramic products	4,156	3,552	3,461	2,660
26.3 Manufacture of ceramic tiles and flags	1,340	206	121	58
26.4 Manufacture of bricks, tiles and construction products, in baked clay	157,727	92,013	56,087	29,197
26.7 Cutting, shaping and finishing of ornamental and building stone	3,201	2,003	1,040	1,490
26.8 Manufacture of other non-metallic mineral products	19,818	19,639	14,170	13,433

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	1,024	859	558	106
26.22 Manufacture of ceramic sanitary fixtures	3,163	3,578	3,724	2,716
26.23 Manufacture of ceramic insulators and insulating fittings	51	32	9	10
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	2	3	0	1
26.26 Manufacture of refractory ceramic products	1,813	2,090	1,961	1,308
26.3 Manufacture of ceramic tiles and flags	286	57	53	60
26.4 Manufacture of bricks, tiles and construction products, in baked clay	7,769	4,294	2,430	1,123
26.7 Cutting, shaping and finishing of ornamental and building stone	1,272	714	364	479
26.8 Manufacture of other non-metallic mineral products	6,461	6,006	5,588	4,799

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
26.21 Manufacture of ceramic household and ornamental articles	Serbia and Montenegro, Greece and Italy
26.22 Manufacture of ceramic sanitary fixtures	Serbia and Montenegro, Croatia and Slovenia
26.23 Manufacture of ceramic insulators and insulating fittings	Serbia and Montenegro, Croatia and Denmark
26.24 Manufacture of other technical ceramic products	-
26.25 Manufacture of other ceramic products	Serbia and Montenegro, Croatia and Greece
26.26 Manufacture of refractory ceramic products	Serbia and Montenegro, Bosnia and Herzegovina and Slovenia
26.3 Manufacture of ceramic tiles and flags	Serbia and Montenegro, Turkey and Greece
26.4 Manufacture of bricks, tiles and construction products, in baked clay	Serbia and Montenegro, Albania and Bulgaria
26.7 Cutting, shaping and finishing of ornamental and building stone	Greece, Serbia and Montenegro and Croatia
26.8 Manufacture of other non-metallic mineral products	Serbia and Montenegro, Slovenia and Bulgaria

Source: State Statistical Office

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	50.4	105.9	68.0	65.3
26.22 Manufacture of ceramic sanitary fixtures	87.1	81.8	85.3	73.0
26.23 Manufacture of ceramic insulators and insulating fittings	-	-	-	-
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	-	-	-	-
26.26 Manufacture of refractory ceramic products	95.7	92.7	77.2	64.4
26.3 Manufacture of ceramic tiles and flags	18.6	250.8	26.9	75.8
26.4 Manufacture of bricks, tiles and construction products, in baked clay	29.4	16.2	11.4	5.9
26.7 Cutting, shaping and finishing of ornamental and building stone	55.1	33.8	62.3	43.9
26.8 Manufacture of other non-metallic mineral products	77.3	74.4	58.1	61.5
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	31.8	70.2	122.2	493.2
26.22 Manufacture of ceramic sanitary fixtures	22.6	12.4	19.2	27.8
26.23 Manufacture of ceramic insulators and insulating fittings	-	-	-	-
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	-	-	-	-
26.26 Manufacture of refractory ceramic products	151.4	136.1	138.2	240.5
26.3 Manufacture of ceramic tiles and flags	437.1	24,010.1	4,262.3	9,029.3
26.4 Manufacture of bricks, tiles and construction products, in baked clay	14.7	9.5	16.2	20.5
26.7 Cutting, shaping and finishing of ornamental and building stone	67.3	26.0	38.5	37.4
26.8 Manufacture of other non-metallic mineral products	73.2	54.3	45.6	101.8
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	87	219	0	71
26.22 Manufacture of ceramic sanitary fixtures	264	310	307	232
26.23 Manufacture of ceramic insulators and insulating fittings	0	1	-	-
26.24 Manufacture of other technical ceramic products	1	1	-	-
26.25 Manufacture of other ceramic products	0	0	0	0
26.26 Manufacture of refractory ceramic products	162	174	186	156
26.3 Manufacture of ceramic tiles and flags	1	0	0	0
26.4 Manufacture of bricks, tiles and construction products, in baked clay	2,037	1,513	1,488	1,352
26.7 Cutting, shaping and finishing of ornamental and building stone	614	448	366	394
26.8 Manufacture of other non-metallic mineral products	851	651	723	531
Source: State Statistical Office				

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	43	152	-45	33
26.22 Manufacture of ceramic sanitary fixtures	113	154	147	106
26.23 Manufacture of ceramic insulators and insulating fittings	0	1	-	-
26.24 Manufacture of other technical ceramic products	1	1	-	-
26.25 Manufacture of other ceramic products	0	0	0	0
26.26 Manufacture of refractory ceramic products	72	83	82	64
26.3 Manufacture of ceramic tiles and flags	1	0	0	0
26.4 Manufacture of bricks, tiles and construction products, in baked clay	1,126	884	142	703
26.7 Cutting, shaping and finishing of ornamental and building stone	361	246	206	195
26.8 Manufacture of other non-metallic mineral products	374	248	186	138

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	0.0	0.1	0.0	0.0
26.22 Manufacture of ceramic sanitary fixtures	0.1	0.1	0.1	0.1
26.23 Manufacture of ceramic insulators and insulating fittings	0.0	0.0	-	-
26.24 Manufacture of other technical ceramic products	0.0	0.0	-	-
26.25 Manufacture of other ceramic products	0.0	0.0	0.0	0.0
26.26 Manufacture of refractory ceramic products	0.0	0.0	0.0	0.0
26.3 Manufacture of ceramic tiles and flags	0.0	0.0	0.0	0.0
26.4 Manufacture of bricks, tiles and construction products, in baked clay	0.5	0.4	0.4	0.3
26.7 Cutting, shaping and finishing of ornamental and building stone	0.1	0.1	0.1	0.1
26.8 Manufacture of other non-metallic mineral products	0.2	0.2	0.2	0.1

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	0.0	0.1	0.0	0.0
26.22 Manufacture of ceramic sanitary fixtures	0.1	0.1	0.1	0.1
26.23 Manufacture of ceramic insulators and insulating fittings	0.0	0.0	-	-
26.24 Manufacture of other technical ceramic products	0.0	0.0	-	-
26.25 Manufacture of other ceramic products	0.0	0.0	0.0	0.0
26.26 Manufacture of refractory ceramic products	0.0	0.0	0.0	0.0
26.3 Manufacture of ceramic tiles and flags	0.0	0.0	0.0	0.0
26.4 Manufacture of bricks, tiles and construction products, in baked clay	0.6	0.5	0.1	0.3
26.7 Cutting, shaping and finishing of ornamental and building stone	0.2	0.1	0.1	0.1
26.8 Manufacture of other non-metallic mineral products	0.2	0.1	0.1	0.1

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	18	20	16	13
26.22 Manufacture of ceramic sanitary fixtures	2	3	2	2
26.23 Manufacture of ceramic insulators and insulating fittings	1	1	-	-
26.24 Manufacture of other technical ceramic products	1	1	-	-
26.25 Manufacture of other ceramic products	2	1	1	1
26.26 Manufacture of refractory ceramic products	8	6	7	6
26.3 Manufacture of ceramic tiles and flags	2	1	1	1
26.4 Manufacture of bricks, tiles and construction products, in baked clay	14	12	12	14
26.7 Cutting, shaping and finishing of ornamental and building stone	65	69	62	59
26.8 Manufacture of other non-metallic mineral products	40	22	14	12
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	210	768	776	81
26.22 Manufacture of ceramic sanitary fixtures	320	321	332	313
26.23 Manufacture of ceramic insulators and insulating fittings	-	-	-	-
26.24 Manufacture of other technical ceramic products	5	3	-	-
26.25 Manufacture of other ceramic products	2	-	-	-
26.26 Manufacture of refractory ceramic products	664	362	207	209
26.3 Manufacture of ceramic tiles and flags	6	2	2	2
26.4 Manufacture of bricks, tiles and construction products, in baked clay	2,931	3,104	2,710	1,886
26.7 Cutting, shaping and finishing of ornamental and building stone	502	507	451	447
26.8 Manufacture of other non-metallic mineral products	692	511	494	305
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	0.0	0.2	0.2	0.0
26.22 Manufacture of ceramic sanitary fixtures	0.1	0.1	0.1	0.1
26.23 Manufacture of ceramic insulators and insulating fittings	-	-	-	-
26.24 Manufacture of other technical ceramic products	0.0	0.0	-	-
26.25 Manufacture of other ceramic products	0.0	-	-	-
26.26 Manufacture of refractory ceramic products	0.1	0.1	0.0	0.0
26.3 Manufacture of ceramic tiles and flags	0.0	0.0	0.0	0.0
26.4 Manufacture of bricks, tiles and construction products, in baked clay	0.6	0.6	0.6	0.4
26.7 Cutting, shaping and finishing of ornamental and building stone	0.1	0.1	0.1	0.1
26.8 Manufacture of other non-metallic mineral products	0.1	0.1	0.1	0.1
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises
In thousands of MKD

NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
26.21 Manufacture of ceramic household and ornamental articles	S	87	18	61	19	57	15	71	13
	M	-	-	-	-	-	-	-	-
	B	-	-	158	1	-47	1	-	-
26.22 Manufacture of ceramic sanitary fixtures	S	1	1	5	2	6	1	1	1
	M	263	1	305	1	-	-	231	1
	B	-	-	-	-	301	1	-	-
26.23 Manufacture of ceramic insulators and insulating fittings	S	0	1	1	1	-	-	-	-
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
26.24 Manufacture of other technical ceramic products	S	1	1	1	1	-	-	-	-
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
26.25 Manufacture of other ceramic products	S	0	2	0	1	0	1	0	1
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
26.26 Manufacture of refractory ceramic products	S	25	5	25	4	23	6	23	5
	M	133	2	149	2	-	-	132	1
	B	5	1	-	-	163	1	-	-
26.3 Manufacture of ceramic tiles and flags	S	1	2	0	1	0	1	0	1
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
26.4 Manufacture of bricks, tiles and construction products, in baked clay	S	527	9	526	8	436	7	374	9
	M	1,104	4	426	2	339	2	600	4
	B	406	1	562	2	713	3	379	1
26.7 Cutting, shaping and finishing of ornamental and building stone	S	474	64	388	68	254	60	303	57
	M	140	1	-	-	112	2	85	1
	B	-	-	60	1	-	-	6	1
26.8 Manufacture of other non-metallic mineral products	S	290	38	64	19	83	11	75	9
	M	561	2	587	3	-	-	434	2
	B	-	-	-	-	640	3	23	1

Source: State Statistical Office

S-Small M-Medium B-Big

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	1,630	3,056	5,029	3,519
26.22 Manufacture of ceramic sanitary fixtures	5,215	49,390	574	2,073
26.23 Manufacture of ceramic insulators and insulating fittings	-	-	-	-
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	-	-	-	-
26.26 Manufacture of refractory ceramic products	-	-	-	-
26.3 Manufacture of ceramic tiles and flags	-	-	-	-
26.4 Manufacture of bricks, tiles and construction products, in baked clay	138,777	41,469	246,599	503,527
26.7 Cutting, shaping and finishing of ornamental and building stone	14,921	40,460	31,443	41,020
26.8 Manufacture of other non-metallic mineral products	5,947	1,530	15,784	50,628

Source: State Statistical Office

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	54,961	702,106	697,542	28,005
26.22 Manufacture of ceramic sanitary fixtures	66,062	110,847	107,474	99,328
26.23 Manufacture of ceramic insulators and insulating fittings	0	0	-	-
26.24 Manufacture of other technical ceramic products	75	200	-	-
26.25 Manufacture of other ceramic products	0	0	-	-
26.26 Manufacture of refractory ceramic products	695,682	386,251	82,632	70,616
26.3 Manufacture of ceramic tiles and flags	420	0	-	-
26.4 Manufacture of bricks, tiles and construction products, in baked clay	1,662,489	1,572,715	1,681,941	1,450,663
26.7 Cutting, shaping and finishing of ornamental and building stone	433,009	455,474	457,526	489,161
26.8 Manufacture of other non-metallic mineral products	273,424	238,435	231,858	175,647

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments
In thousands of US Dollars

NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	-	45	-	-
26.22 Manufacture of ceramic sanitary fixtures	-	-	-	-
26.23 Manufacture of ceramic insulators and insulating fittings	-	-	-	-
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	-	-	-	-
26.26 Manufacture of refractory ceramic products	-	-	-	170
26.3 Manufacture of ceramic tiles and flags	-	-	-	-
26.4 Manufacture of bricks, tiles and construction products, in baked clay	361	1,057	198	30
26.7 Cutting, shaping and finishing of ornamental and building stone	-	-	-	-
26.8 Manufacture of other non-metallic mineral products	-	221	174	-

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
26.21 Manufacture of ceramic household and ornamental articles	VILA ZORA	44,556	40	Private
	PORCELANKA	-46,762**	667**	Private
26.22 Manufacture of ceramic sanitary fixtures	MAKEDONIJA	231,200	311	Private
26.23 Manufacture of ceramic insulators and insulating fittings	-	-	-	-
26.24 Manufacture of other technical ceramic products	-	-	-	-
26.25 Manufacture of other ceramic products	KOPEL	11		Private
26.26 Manufacture of refractory ceramic products	CRVENA ZVEZDA	132,258	196	Private
26.3 Manufacture of ceramic tiles and flags	-	-	-	-
26.4 Manufacture of bricks, tiles and construction products, in baked clay	KIRO CUCUK	378,667	664	Private
	TONDAH-MAKEDONIJA	205,450	195	Private

	KIK	180,658	196	Private
	DJUMAJLIJA	119,624	108	Private
	8 NOEMVRI	114,115	142	Private
	TIPO	120,485**	757**	Private
26.7 Cutting, shaping and finishing of ornamental and building stone	KRIN-PROIZVODSTVO	101,050	32	Private
	VRATNICA	84,527	109	Private
	KORAB MERMER	25,318	22	Private
	SIRMA-GALICICA ONIKS	24,202	14	Private
26.8 Manufacture of other non-metallic mineral products	BIM AD	352,848	102	Private
	IDNINA	81,348	127	Private
	SKRILCI	31,064	20	Private
	IZOLMONT	22,834	15	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	203.9	198.3	-58.5	408.2
26.22 Manufacture of ceramic sanitary fixtures	352.5	478.3	443.9	337.7
26.23 Manufacture of ceramic insulators and insulating fittings	-	-	-	-
26.24 Manufacture of other technical ceramic products	154.6	231.3	-	-
26.25 Manufacture of other ceramic products	44.1	-	-	-
26.26 Manufacture of refractory ceramic products	108.3	229.2	396.0	306.6
26.3 Manufacture of ceramic tiles and flags	91.7	199.1	167.6	-60.7
26.4 Manufacture of bricks, tiles and construction products, in baked clay	384.2	284.9	52.5	372.6
26.7 Cutting, shaping and finishing of ornamental and building stone	718.5	485.1	456.5	436.6
26.8 Manufacture of other non-metallic mineral products	540.7	485.5	376.8	451.8

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	64	98	43	37
26.22 Manufacture of ceramic sanitary fixtures	76	89	106	83
26.23 Manufacture of ceramic insulators and insulating fittings	0	0	-	-
26.24 Manufacture of other technical ceramic products	1	1	-	-
26.25 Manufacture of other ceramic products	0	0		
26.26 Manufacture of refractory ceramic products	138	100	65	59
26.3 Manufacture of ceramic tiles and flags	1	0	0	0
26.4 Manufacture of bricks, tiles and construction products, in baked clay	1,070	1,024	967	586
26.7 Cutting, shaping and finishing of ornamental and building stone	235	191	164	166
26.8 Manufacture of other non-metallic mineral products	337	142	193	132

Source: State Statistical Office

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
26.21 Manufacture of ceramic household and ornamental articles	44	67	56	38
26.22 Manufacture of ceramic sanitary fixtures	151	157	160	127
26.23 Manufacture of ceramic insulators and insulating fittings	0	0	-	-
26.24 Manufacture of other technical ceramic products	0	0	-	-
26.25 Manufacture of other ceramic products	0	0	0	0
26.26 Manufacture of refractory ceramic products	90	91	104	92
26.3 Manufacture of ceramic tiles and flags	0	0	0	0
26.4 Manufacture of bricks, tiles and construction products, in baked clay	911	629	1,346	650
26.7 Cutting, shaping and finishing of ornamental and building stone	253	202	161	199
26.8 Manufacture of other non-metallic mineral products	477	403	537	394
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as an indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

The sector still uses regulations from the Former SFRY, out of which the more significant are:

- Rulebook on compulsory attesting of façade bricks from clay and the conditions that organizations authorized for attestation of these products should fulfill ("Official Gazette of SFRY" No. 24/90)
- Rulebook on compulsory attesting of clay tiles and the conditions that organizations authorized for attestation of these products should fulfill ("Official Gazette of SFRY" No. 24/90)

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#) , point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation**
b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas**

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)**
b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted**
b) Timetable

See [15 I II A](#), point 9.

5. Forest-based industries:

- a) manufacture of wood products except furniture, of which: sawmilling, manufacture of veneer sheets, manufactures of builders' carpentry and joinery, others**
b) manufacture of pulp
c) manufacture of paper and paper board
d) manufacture of paper and paper board products
e) printing

Forest-based industries include:

- 20.1 Sawmilling and planing of wood; impregnation of wood
- 20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards
- 20.3 Manufacture of builders carpentry and joinery
- 20.4 Manufacture of wooden containers
- 20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials
- 21.11 Manufacture of pulp
- 21.12 Manufacture of paper and paperboard
- 21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard
- 21.22 Manufacture of household and sanitary goods and of toilet requisites
- 21.23 Manufacture of paper stationery
- 21.24 Manufacture of wallpaper
- 21.25 Manufacture of other articles of paper and paperboard
- 22.1 Publishing
- 22.2 Printing and service activities related to printing
- 22.3 Reproduction of recorded media

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	m3	127,478	118,911	144,852	145,201
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	m3	,813	1,863	2,296	3,630
20.3 Manufacture of builders carpentry and joinery		-	-	-	-
20.4 Manufacture of wooden containers	m3	5,221	5,221	7,796	11,816
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	m3	109	94	48	48
21.11 Manufacture of pulp		-	-	-	-
21.12 Manufacture of paper and paperboard	t	10,540	13,830	13,830	14,047
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	t	47,266	48,147	47,129	52,163
21.22 Manufacture of household and sanitary goods and of toilet requisites	t	2,284	592	354	451
21.23 Manufacture of paper stationery	t	2,339	2,339	2,114	1,542
21.24 Manufacture of wallpaper		-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	t	1,300	1,300	1,440	1,463
22.1 Publishing	t	862	876	1,143	1,145
22.2 Printing and service activities related to printing	t	16,619	15,178	13,179	17,539
22.3 Reproduction of recorded media		-	-	-	-
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	m ³	54.4	43.8	44.0	53.2
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	m ³	24.0	15.3	7.1	4.6
20.3 Manufacture of builders carpentry and joinery		-	-	-	-
20.4 Manufacture of wooden containers	m ³	96.5	56.0	42.7	50.5
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	m ³	62.5	28.6	50.0	27.1
21.11 Manufacture of pulp		-	-	-	-
21.12 Manufacture of paper and paperboard	t	98.1	91.1	93.4	87.4
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	t	43.3	41.5	45.0	44.7
21.22 Manufacture of household and sanitary goods and of toilet requisites	t	29.2	29.2	35.3	39.5
21.23 Manufacture of paper stationery	t	38.9	31.5	36.9	29.9
21.24 Manufacture of wallpaper		-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	t	93.5	14.5	10.9	10.3
22.1 Publishing	t	74.7	70.7	78.8	51.3
22.2 Printing and service activities related to printing	t	37.4	39.2	40.8	34.7
22.3 Reproduction of recorded media		-	-	-	-
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	m3	69,348	52,083	63,735	77,247
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	m3	915	285	163	167
20.3 Manufacture of builders carpentry and joinery		-	-	-	-
20.4 Manufacture of wooden containers	m3	5,038	2,924	3,329	5,967
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	m3	68	27	24	13
21.11 Manufacture of pulp		-	-	-	-
21.12 Manufacture of paper and paperboard	t	10,340	12,595	12,917	12,277
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	t	20,466	19,981	21,208	23,317
21.22 Manufacture of household and sanitary goods and of toilet requisites	t	667	173	125	178
21.23 Manufacture of paper stationery	t	910	737	780	461
21.24 Manufacture of wallpaper		-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	t	1,216	188	157	150
22.1 Publishing	t	644	619	901	587
22.2 Printing and service activities related to printing	t	6,222	5,955	5,373	6,086
22.3 Reproduction of recorded media		-	-	-	-
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	444,639	267,677	339,820	375,847
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	44,757	11,149	6,514	3,627
20.3 Manufacture of builders carpentry and joinery	268,856	190,351	226,273	184,628
20.4 Manufacture of wooden containers	28,620	9,891	20,381	69,082
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	11,847	1,298	1,154	625
21.11 Manufacture of pulp	-	-	-	-
21.12 Manufacture of paper and paperboard	166,370	187,383	216,903	200,508
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	1,157,332	972,139	1,023,464	1,243,239
21.22 Manufacture of household and sanitary goods and of toilet requisites	39,047	12,580	7,681	11,753
21.23 Manufacture of paper stationery	149,078	112,734	95,061	64,659
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	177,434	25,516	21,011	19,942
22.1 Publishing	188,070	82,705	131,903	80,370
22.2 Printing and service activities related to printing	643,859	1,756,531	881,713	776,990
22.3 Reproduction of recorded media	-	-	-	-
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	1,284,737	758,480	1,084,967	1,108,790
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	783,090	653,871	856,381	814,905
20.3 Manufacture of builders carpentry and joinery	832,669	671,190	673,157	502,011
20.4 Manufacture of wooden containers	37,554	22,265	46,263	103,439
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	61,442	44,566	81,709	80,670
21.11 Manufacture of pulp	109,219	79,342	27,121	21,486
21.12 Manufacture of paper and paperboard	1,628,380	1,618,595	1,854,707	1,842,138
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	1,595,847	1,308,557	1,478,909	1,637,386
21.22 Manufacture of household and sanitary goods and of toilet requisites	434,266	417,151	474,545	499,664
21.23 Manufacture of paper stationery	262,307	221,450	225,640	214,218
21.24 Manufacture of wallpaper	2,930	1,418	3,520	1,389
21.25 Manufacture of other articles of paper and paperboard	353,788	171,968	195,533	175,063
22.1 Publishing	437,214	550,601	466,369	401,392
22.2 Printing and service activities related to printing	728,659	1,839,102	997,778	983,708
22.3 Reproduction of recorded media	0	0	0	0
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	7.2	9.2	16.7	20.5
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	2.9	0.9	-1.2	-2.3
20.3 Manufacture of builders carpentry and joinery	9.3	8.5	29.5	33.7
20.4 Manufacture of wooden containers	56.3	7.2	34.2	60.6
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	-6.9	-34.0	-7.7	-6.8
21.11 Manufacture of pulp	0.0	0.0	0.0	0.0
21.12 Manufacture of paper and paperboard	-2.7	1.4	4.2	5.3
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	60.3	60.9	57.3	64.3
21.22 Manufacture of household and sanitary goods and of toilet requisites	2.9	-3.1	-3.7	-2.9
21.23 Manufacture of paper stationery	56.2	50.6	40.8	29.5
21.24 Manufacture of wallpaper	0.0	0.0	0.0	0.0
21.25 Manufacture of other articles of paper and paperboard	46.9	10.9	8.2	10.0
22.1 Publishing	35.2	9.5	22.5	12.0
22.2 Printing and service activities related to printing	85.7	94.8	86.8	78.5
22.3 Reproduction of recorded media	-	-	-	-
Source: State Statistical Office				

2. Trade**a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin**

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	1,079	618	724	857
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	5,944	6,974	10,870	11,901
20.3 Manufacture of builders carpentry and joinery	150	2,113	483	342
20.4 Manufacture of wooden containers	183	179	213	159
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	84	101	160	127
21.11 Manufacture of pulp	35	59	61	27
21.12 Manufacture of paper and paperboard	9,782	10,135	14,550	16,342
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	2,918	1,949	2,486	2,030
21.22 Manufacture of household and sanitary goods and of toilet requisites	1,682	1,477	1,608	1,909
21.23 Manufacture of paper stationery	383	381	881	1,097
21.24 Manufacture of wallpaper	2	0	0	0
21.25 Manufacture of other articles of paper and paperboard	887	812	848	810
22.1 Publishing	342	375	431	374
22.2 Printing and service activities related to printing	104	153	208	267
22.3 Reproduction of recorded media	-	-	-	-
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	583	372	353	440
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	3,262	3,293	5,571	5,451
20.3 Manufacture of builders carpentry and joinery	242	5,880	1,335	309
20.4 Manufacture of wooden containers	62	54	63	56
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	592	555	928	776
21.11 Manufacture of pulp	38	78	46	32
21.12 Manufacture of paper and paperboard	7,928	8,081	11,163	11,885
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	5,588	4,216	5,520	4,536
21.22 Manufacture of household and sanitary goods and of toilet requisites	2,917	2,417	2,688	3,329
21.23 Manufacture of paper stationery	483	420	1,007	1,054
21.24 Manufacture of wallpaper	1	1	4	1
21.25 Manufacture of other articles of paper and paperboard	1,419	1,232	1,387	1,320
22.1 Publishing	2,568	5,717	2,996	3,259
22.2 Printing and service activities related to printing	641	535	1,058	2,364
22.3 Reproduction of recorded media	-	-	-	-
Source: State Statistical Office				

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	91,359	52,960	84,223	78,774
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	29,347	23,899	29,135	26,755
20.3 Manufacture of builders carpentry and joinery	7,662	2,812	4,128	3,706
20.4 Manufacture of wooden containers	1,416	1,673	1,602	2,242
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	301	372	463	611
21.11 Manufacture of pulp	2,877	2,418	729	511
21.12 Manufacture of paper and paperboard	26,776	26,950	27,578	26,017
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	4,131	3,182	3,481	3,758
21.22 Manufacture of household and sanitary goods and of toilet requisites	2,344	2,955	2,966	2,800
21.23 Manufacture of paper stationery	1,079	1,063	898	1,320
21.24 Manufacture of wallpaper	28	15	30	13
21.25 Manufacture of other articles of paper and paperboard	853	669	731	558
22.1 Publishing	284	325	433	371
22.2 Printing and service activities related to printing	350	285	372	388
22.3 Reproduction of recorded media	-	-	-	-

Source: State Statistical Office

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	19,062	10,937	14,473	13,953
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	9,265	7,347	8,646	8,155
20.3 Manufacture of builders carpentry and joinery	12,207	4,201	6,449	5,123
20.4 Manufacture of wooden containers	208	286	437	609
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	488	425	514	630
21.11 Manufacture of pulp	1,763	1,227	398	319
21.12 Manufacture of paper and paperboard	19,624	18,135	17,987	16,580
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	4,953	4,298	5,019	5,202
21.22 Manufacture of household and sanitary goods and of toilet requisites	4,024	4,645	5,386	5,057
21.23 Manufacture of paper stationery	1,410	1,376	1,185	1,409
21.24 Manufacture of wallpaper	47	22	54	22
21.25 Manufacture of other articles of paper and paperboard	1,698	1,339	1,568	1,251
22.1 Publishing	2,099	2,496	2,932	2,503
22.2 Printing and service activities related to printing	1,077	1,023	1,105	1,079
22.3 Reproduction of recorded media	-	-	-	-

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	
20.1 Sawmilling and planing of wood; impregnation of wood	Bulgaria, Serbia and Montenegro and Romania
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	Greece, Slovenia and Bulgaria
20.3 Manufacture of builders carpentry and joinery	Slovenia, Austria, Bulgaria,
20.4 Manufacture of wooden containers	Serbia and Montenegro, Bosnia and Herzegovina and Croatia
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	Italy, Serbia and Montenegro and Bulgaria
21.11 Manufacture of pulp	Serbia and Montenegro, Slovenia and Bulgaria
21.12 Manufacture of paper and paperboard	Slovenia, Germany and Bulgaria
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	Austria, Serbia and Montenegro and Slovenia
21.22 Manufacture of household and sanitary goods and of toilet requisites	Greece, Slovenia and Serbia and Montenegro
21.23 Manufacture of paper stationery	Slovenia, Sweden and Greece
21.24 Manufacture of wallpaper	Slovenia, Serbia and Montenegro and Belgium
21.25 Manufacture of other articles of paper and paperboard	Slovenia, Germany and Greece
22.1 Publishing	Italy, United Kingdom and United States of America
22.2 Printing and service activities related to printing	Slovenia, United Kingdom and Germany
22.3 Reproduction of recorded media	-
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destinationTable: Exports to the EU
In tons

NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	6,530	6,578	4,353	3,565
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	143	49	235	350
20.3 Manufacture of builders carpentry and joinery	5	38	33	9
20.4 Manufacture of wooden containers	57	151	4	175
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	158	281	64	157
21.11 Manufacture of pulp	-	-	-	-
21.12 Manufacture of paper and paperboard	129	660	1,068	183
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	273	394	213	154
21.22 Manufacture of household and sanitary goods and of toilet requisites	5	12	10	-
21.23 Manufacture of paper stationery	0	3	1	0
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	9	12	7	10
22.1 Publishing	12	15	30	42
22.2 Printing and service activities related to printing	3	53	67	55
22.3 Reproduction of recorded media	-	-	-	-
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	1,946	1,924	1,342	1,222
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	137	76	254	298
20.3 Manufacture of builders carpentry and joinery	19	42	37	26
20.4 Manufacture of wooden containers	23	24	1	34
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	172	86	85	167
21.11 Manufacture of pulp	-	-	-	-
21.12 Manufacture of paper and paperboard	59	78	239	68
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	301	450	256	127
21.22 Manufacture of household and sanitary goods and of toilet requisites	5	13	14	-
21.23 Manufacture of paper stationery	0	4	1	1
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	18	26	8	15
22.1 Publishing	116	131	187	143
22.2 Printing and service activities related to printing	17	127	168	107
22.3 Reproduction of recorded media	-	-	-	-
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	9,247	3,342	2,793	2,838
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	390	81	132	90
20.3 Manufacture of builders carpentry and joinery	1,683	1,296	296	140
20.4 Manufacture of wooden containers	296	367	337	455
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	73	17	9	6
21.11 Manufacture of pulp	-	-	-	-
21.12 Manufacture of paper and paperboard	8,483	6,372	6,658	5,971
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	2,411	2,858	3,060	4,546
21.22 Manufacture of household and sanitary goods and of toilet requisites	171	118	107	92
21.23 Manufacture of paper stationery	13	10	30	24
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	126	73	35	32
22.1 Publishing	268	41	47	28
22.2 Printing and service activities related to printing	101	57	150	85
22.3 Reproduction of recorded media	-	-	-	-
Source: State Statistical Office				

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	3,915	1,378	1,337	1,469
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	229	29	89	72
20.3 Manufacture of builders carpentry and joinery	3,228	2,153	417	227
20.4 Manufacture of wooden containers	102	113	74	71
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	119	184	83	44
21.11 Manufacture of pulp	-	-	-	-
21.12 Manufacture of paper and paperboard	3,404	2,660	2,059	1,626
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	2,992	2,456	2,687	3,037
21.22 Manufacture of household and sanitary goods and of toilet requisites	428	405	402	427
21.23 Manufacture of paper stationery	28	10	50	23
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	178	104	86	33
22.1 Publishing	671	372	260	383
22.2 Printing and service activities related to printing	314	194	303	136
22.3 Reproduction of recorded media	-	-	-	-

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	
20.1 Sawmilling and planing of wood; impregnation of wood	Italy, Greece and Serbia and Montenegro
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	Germany, Serbia and Montenegro and Greece
20.3 Manufacture of builders carpentry and joinery	Serbia and Montenegro, United States of America
20.4 Manufacture of wooden containers	Serbia and Montenegro, Bulgaria and Italy
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	Serbia and Montenegro, Greece and Germany
21.11 Manufacture of pulp	-
21.12 Manufacture of paper and paperboard	Serbia and Montenegro, Bulgaria and Slovenia
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	Serbia and Montenegro, Albania and Italy
21.22 Manufacture of household and sanitary goods and of toilet requisites	Serbia and Montenegro, Bosnia and Herzegovina and Albania
21.23 Manufacture of paper stationery	Serbia and Montenegro, Croatia and Greece
21.24 Manufacture of wallpaper	
21.25 Manufacture of other articles of paper and paperboard	Serbia and Montenegro, Germany and Bulgaria
22.1 Publishing	Serbia and Montenegro, Albania and Germany
22.2 Printing and service activities related to printing	Serbia and Montenegro, Greece and Ukraine
22.3 Reproduction of recorded media	-

Source: State Statistical Office

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	80.0	75.1	48.1	43.9
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	49.7	57.3	321.1	625.7
20.3 Manufacture of builders carpentry and joinery	73.3	70.2	12.2	8.4
20.4 Manufacture of wooden containers	26.4	83.8	22.5	9.3
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	149.1	1,267.2	888.1	2,070.7
21.11 Manufacture of pulp	-	-	-	-
21.12 Manufacture of paper and paperboard	126.4	89.0	64.6	51.8
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	17.3	18.2	17.5	15.6
21.22 Manufacture of household and sanitary goods and of toilet requisites	67.4	202.5	330.7	222.4
21.23 Manufacture of paper stationery	1.2	0.8	3.2	2.2
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	6.7	31.1	27.4	14.6
22.1 Publishing	25.4	37.0	20.7	40.2
22.2 Printing and service activities related to printing	3.1	1.1	3.3	1.9
22.3 Reproduction of recorded media	-	-	-	-
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	268.2	257.3	266.1	234.7
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	1,699.5	5,813.1	13,310.2	22,993.4
20.3 Manufacture of builders carpentry and joinery	281.1	322.7	209.7	180.3
20.4 Manufacture of wooden containers	57.4	209.3	149.5	59.1
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	554.2	4,600.6	7,622.2	13,790.7
21.11 Manufacture of pulp	-	-	-	-
21.12 Manufacture of paper and paperboard	1,005.7	852.1	819.6	870.1
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	55.3	53.4	62.8	48.0
21.22 Manufacture of household and sanitary goods and of toilet requisites	1,079.6	3,418.5	6,408.8	4,373.8
21.23 Manufacture of paper stationery	77.1	97.0	140.6	233.5
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	106.7	613.9	857.8	790.5
22.1 Publishing	150.7	602.7	274.1	439.6
22.2 Printing and service activities related to printing	16.2	5.4	15.0	27.2
22.3 Reproduction of recorded media	-	-	-	-
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	638	575	628	460
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	0	15	18	29
20.3 Manufacture of builders carpentry and joinery	552	428	432	424
20.4 Manufacture of wooden containers	224	190	323	371
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	182	162	235	275
21.11 Manufacture of pulp	0	3	1	-
21.12 Manufacture of paper and paperboard	223	199	48	25
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	1,506	1,388	1,436	1,311
21.22 Manufacture of household and sanitary goods and of toilet requisites	70	90	132	139
21.23 Manufacture of paper stationery	128	123	151	163
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	59	59	75	113
22.1 Publishing	1,918	1,908	1,784	1,894
22.2 Printing and service activities related to printing	2,701	2,442	2,924	2,940
22.3 Reproduction of recorded media	4	5	10	10
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	172	111	188	176
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	-3	4	8	12
20.3 Manufacture of builders carpentry and joinery	240	205	199	166
20.4 Manufacture of wooden containers	58	53	112	146
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	68	72	115	123
21.11 Manufacture of pulp	0	2	1	-
21.12 Manufacture of paper and paperboard	23	25	7	6
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	445	459	456	447
21.22 Manufacture of household and sanitary goods and of toilet requisites	27	33	56	46
21.23 Manufacture of paper stationery	34	29	43	47
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	19	30	43	38
22.1 Publishing	899	904	754	867
22.2 Printing and service activities related to printing	1,227	1,073	1,345	1,404
22.3 Reproduction of recorded media	2	2	8	8
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	0.2	0.1	0.2	0.1
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	0.0	0.0	0.0	0.0
20.3 Manufacture of builders carpentry and joinery	0.1	0.1	0.1	0.1
20.4 Manufacture of wooden containers	0.1	0.0	0.1	0.1
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	0.0	0.0	0.1	0.1
21.11 Manufacture of pulp	0.0	0.0	0.0	-
21.12 Manufacture of paper and paperboard	0.1	0.0	0.0	0.0
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	0.4	0.3	0.3	0.3
21.22 Manufacture of household and sanitary goods and of toilet requisites	0.0	0.0	0.0	0.0
21.23 Manufacture of paper stationery	0.0	0.0	0.0	0.0
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	0.0	0.0	0.0	0.0
22.1 Publishing	0.5	0.5	0.4	0.4
22.2 Printing and service activities related to printing	0.6	0.6	0.7	0.7
22.3 Reproduction of recorded media	0.0	0.0	0.0	0.0
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	0.1	0.1	0.1	0.1
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	0.0	0.0	0.0	0.0
20.3 Manufacture of builders carpentry and joinery	0.1	0.1	0.1	0.1
20.4 Manufacture of wooden containers	0.0	0.0	0.1	0.1
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	0.0	0.0	0.1	0.1
21.11 Manufacture of pulp	0.0	0.0	0.0	-
21.12 Manufacture of paper and paperboard	0.0	0.0	0.0	0.0
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	0.2	0.2	0.2	0.2
21.22 Manufacture of household and sanitary goods and of toilet requisites	0.0	0.0	0.0	0.0
21.23 Manufacture of paper stationery	0.0	0.0	0.0	0.0
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	0.0	0.0	0.0	0.0
22.1 Publishing	0.5	0.5	0.4	0.4
22.2 Printing and service activities related to printing	0.6	0.6	0.7	0.7
22.3 Reproduction of recorded media	0.0	0.0	0.0	0.0
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	194	191	273	278
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	6	8	11	10
20.3 Manufacture of builders carpentry and joinery	388	300	270	274

20.4 Manufacture of wooden containers	99	105	267	270
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	87	111	177	181
21.11 Manufacture of pulp	1	4	1	-
21.12 Manufacture of paper and paperboard	11	14	13	12
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	90	87	80	80
21.22 Manufacture of household and sanitary goods and of toilet requisites	33	35	36	41
21.23 Manufacture of paper stationery	21	17	25	25
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	37	37	34	34
22.1 Publishing	233	246	249	240
22.2 Printing and service activities related to printing	395	406	423	405
22.3 Reproduction of recorded media	4	6	6	8
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	1,025	1,070	1,266	1,005
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	13	13	28	30
20.3 Manufacture of builders carpentry and joinery	1,192	1,277	1,398	1,226
20.4 Manufacture of wooden containers	389	351	575	548
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	349	434	602	590
21.11 Manufacture of pulp	1	4	3	-
21.12 Manufacture of paper and paperboard	124	164	41	31
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	1,557	1,455	1,490	1,360
21.22 Manufacture of household and sanitary goods and of toilet requisites	84	105	116	114
21.23 Manufacture of paper stationery	78	71	98	117
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	65	125	164	176
22.1 Publishing	2,822	2,925	1,339	1,354
22.2 Printing and service activities related to printing	2,827	2,780	3,196	2,668
22.3 Reproduction of recorded media	4	9	24	25
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	0.2	0.2	0.3	0.2
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	0.0	0.0	0.0	0.0
20.3 Manufacture of builders carpentry and joinery	0.2	0.3	0.3	0.3
20.4 Manufacture of wooden containers	0.1	0.1	0.1	0.1
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	0.1	0.1	0.1	0.1
21.11 Manufacture of pulp	0.0	0.0	0.0	-
21.12 Manufacture of paper and paperboard	0.0	0.0	0.0	0.0
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	0.3	0.3	0.3	0.3
21.22 Manufacture of household and sanitary goods and of toilet requisites	0.0	0.0	0.0	0.0
21.23 Manufacture of paper stationery	0.0	0.0	0.0	0.0
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	0.0	0.0	0.0	0.0
22.1 Publishing	0.6	0.6	0.3	0.3
22.2 Printing and service activities related to printing	0.6	0.6	0.7	0.6
22.3 Reproduction of recorded media	0.0	0.0	0.0	0.0

Source: State Statistical Office

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
20.1 Sawmilling and planing of wood; impregnation of wood	S	537	192	534	189	605	272	445	277
	M	101	2	41	2	23	1	15	1
	B	-	-	-	-	-	-	-	-
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	S	7	6	15	8	18	11	29	10
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
20.3 Manufacture of builders carpentry and joinery	S	344	386	320	298	355	268	380	272
	M	208	2	108	2	-	-	44	2
	B	-	-	-	-	76	2	-	-
20.4 Manufacture of wooden containers	S	224	98	190	105	323	267	371	270
	M	0	1	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	S	182	87	162	111	235	177	275	181
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
21.11 Manufacture of pulp	S	0	1	3	4	1	1	-	-
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
21.12 Manufacture of paper and paperboard	S	223	11	61	13	48	13	25	12
	M	-	-	139	1	-	-	-	-
	B	-	-	-	-	-	-	-	-
21.21 Manufacture of corrugated paper and paperboard and of containers of	S	594	88	524	85	506	77	491	77
	M	-	-	-	-	229	1	201	2

	B	911	2	865	2	701	2	619	1
21.22 Manufacture of household and sanitary goods and of toilet requisites	S	70	33	90	35	132	36	139	41
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
21.23 Manufacture of paper stationery	S	128	21	123	17	151	25	163	25
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
21.24 Manufacture of wallpaper	S	-	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	S	59	37	59	37	75	34	113	34
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
22.1 Publishing	S	1,136	230	1,034	241	1,298	245	1,317	235
	M	230	3	447	4	231	1	577	5
	B	551	0	427	1	255	3	-	-
22.2 Printing and service activities related to printing	S	1,559	387	1,456	399	1,943	419	1,964	403
	M	1,142	8	985	7	641	2	367	2
	B	-	-	-	-	340	2	609	0
22.3 Reproduction of recorded media	S	4	4	5	6	10	6	10	8
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
Source: State Statistical Office									
S-Small M-Medium B-Big									

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	3,231	6,430	2,158	6,039
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	-	-	-	-
20.3 Manufacture of builders carpentry and joinery	11,956	13,095	14,869	8,195
20.4 Manufacture of wooden containers	3,294	5,533	6,663	2,238
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	618	2,139	1,947	12,365
21.11 Manufacture of pulp	-	-	-	-
21.12 Manufacture of paper and paperboard	1,895	-	-	-
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	36,106	20,872	11,323	62,060
21.22 Manufacture of household and sanitary goods and of toilet requisites	-	-	-	-
21.23 Manufacture of paper stationery	739	3,770	1,746	3,052
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	-	-	-	-
22.1 Publishing	49,880	17,307	56,259	6,921
22.2 Printing and service activities related to printing	53,152	62,338	118,927	124,084
22.3 Reproduction of recorded media	-	-	-	-
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	597,509	568,199	380,409	520,306
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	4,421	2,821	10,434	10,061
20.3 Manufacture of builders carpentry and joinery	274,219	283,243	279,037	262,502
20.4 Manufacture of wooden containers	117,609	120,889	129,243	141,745
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	65,336	85,151	83,566	101,664
21.11 Manufacture of pulp	0	0	-	-
21.12 Manufacture of paper and paperboard	236,454	237,257	10,894	5,242
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	760,557	799,588	868,045	887,547
21.22 Manufacture of household and sanitary goods and of toilet requisites	17,410	99,644	100,427	89,661
21.23 Manufacture of paper stationery	14,598	15,972	26,080	38,593
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	16,013	39,661	39,004	50,906
22.1 Publishing	1,274,655	1,245,218	742,355	752,280
22.2 Printing and service activities related to printing	1,269,251	1,454,131	1,495,429	1,397,180
22.3 Reproduction of recorded media	604	787	598	652
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	-	-	-	-
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	-	-	-	-
20.3 Manufacture of builders carpentry and joinery	-	-	-	-
20.4 Manufacture of wooden containers	-	-	-	-
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	-	-	-	-
21.11 Manufacture of pulp	-	-	-	-
21.12 Manufacture of paper and paperboard	-	-	-	-
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	1,065	101	144	-
21.22 Manufacture of household and sanitary goods and of toilet requisites	-	-	-	-
21.23 Manufacture of paper stationery	-	-	-	-
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	-	-	-	-
22.1 Publishing	2,459	680	-	1,039
22.2 Printing and service activities related to printing	234	224	155	80
22.3 Reproduction of recorded media	-	-	-	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
20.1 Sawmilling and planing of wood; impregnation of wood	LEDER	33,979	22	Private
	MAK DRVO	28,920	35	Private
	PLACKOVICA	21,107	57	Private
	ELA MAK	19,556	17	Private
	TRESKA STRASO PINDZUR	14,552	152	Public
	MAKEDONSKI SUMI*	1,520,046	2839	Public
	TOTAL	43,667	125**	Private
	JAVOR	11,703	58	Private
	BISTRA DRVO	61,286**	37**	Private
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	MIMAKO-VUD	9,123	12	Private
20.3 Manufacture of builders carpentry and joinery	BORDING	63,539	59	Private
	1 MAJ	37,726	85	Private
	JELAK STOLARIJA-2002	18,275	86	Private
20.4 Manufacture of wooden containers	TRAJKOVI	15,833	41	Private
	DRVOMETAL	20,863	26	Private
	EVROBAL	15,424	17	Private
	FAGUS PRODUKT BT	20,156	49	Private
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	NAPREDOK	47,510	95	Private
	INTER-EKSPORT	25,217	20	Private
	BREZA	9,812	11	Private
	SVETLOST STOLARA	4,458	40	Private
	MEGAL BRIK	1,778	38	Private
21.11 Manufacture of pulp	-	-	-	-
21.12 Manufacture of paper and paperboard	-	-	-	-
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	KOMUNA-AD	619,003	430	Private
	FUSTELARKO BOREC	157,382	321	Private
	KOSTA ABRAS	44,086	65	Private
	MISKOM	52,924	34	Private
21.22 Manufacture of household and sanitary goods and of toilet requisites	HIPS INDUSTRIJA ZA HIGIENSKI PROIZVODI	36,749	16	Private
	SUPERIOR	31,657	14	Private
21.23 Manufacture of paper stationery	TEHA VLATKO I DRUGI	32,524	18	Private
	BIOMENT	28,020	18	Private
	NATRONPAK	27,544	13	Private
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	ILINDEN 2002	17,954	23	Private
	FENIKS	9,635	28	Private
	LANTANA-2	6,962	19	Private
22.1 Publishing	PROSVETNO DELO	211,376	64	Private
	KRUG	203,602	105	Private

	OGLEDALO	182,053	40	Private
	MOST	178,634	59	Private
	GRAFICKI CENTAR	144,038	50	Private
	KM KREATIV*	141,255**	42**	Private
22.2 Printing and service activities related to printing	KIRO DANDARO	538,397	147	Private
	EVROPA 92	202,694	86	Private
	11 OKTOMVRI	163,901	203	Private
	BATO AND DIVAJN GRAFIKS CENTAR	125,371	42	Private
	NAPREDOK	70,844	107	Private
	CETIS	52,973	220	Private
22.3 Reproduction of recorded media	-	-	-	-

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	167.4	103.7	148.3	175.4
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	-237.5	304.1	271.3	402.9
20.3 Manufacture of builders carpentry and joinery	201.3	160.2	142.2	135.5
20.4 Manufacture of wooden containers	148.0	150.1	194.3	267.0
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	195.3	167.0	191.8	208.8
21.11 Manufacture of pulp	33.8	526.2	167.6	-
21.12 Manufacture of paper and paperboard	189.0	150.1	182.4	187.4
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	285.6	315.7	305.7	328.8
21.22 Manufacture of household and sanitary goods and of toilet requisites	316.8	310.0	482.8	407.5
21.23 Manufacture of paper stationery	434.3	406.5	441.7	402.7
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	287.4	238.8	260.1	215.2
22.1 Publishing	318.6	308.9	562.8	640.2
22.2 Printing and service activities related to printing	433.9	386.1	421.0	526.5
22.3 Reproduction of recorded media	497.4	260.9	357.3	327.5

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	153	145	159	145
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	2	4	6	6
20.3 Manufacture of builders carpentry and joinery	113	129	128	133
20.4 Manufacture of wooden containers	63	50	51	57
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	53	54	61	60
21.11 Manufacture of pulp	0	1	0	-
21.12 Manufacture of paper and paperboard	23	34	7	4
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	383	362	391	367
21.22 Manufacture of household and sanitary goods and of toilet requisites	14	18	22	21
21.23 Manufacture of paper stationery	13	13	20	20
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	11	18	29	34
22.1 Publishing	788	913	630	635
22.2 Printing and service activities related to printing	917	938	1,025	766
22.3 Reproduction of recorded media	1	2	3	3
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
20.1 Sawmilling and planing of wood; impregnation of wood	466	464	440	283
20.2 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards	10	11	10	17
20.3 Manufacture of builders carpentry and joinery	312	224	233	258
20.4 Manufacture of wooden containers	166	138	212	225
20.5 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	114	90	119	151
21.11 Manufacture of pulp	0	1	0	-
21.12 Manufacture of paper and paperboard	199	175	41	20
21.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	1,061	929	981	864
21.22 Manufacture of household and sanitary goods and of toilet requisites	44	58	76	92
21.23 Manufacture of paper stationery	94	94	108	116
21.24 Manufacture of wallpaper	-	-	-	-
21.25 Manufacture of other articles of paper and paperboard	40	29	32	75
22.1 Publishing	1,019	1,005	1,030	1,028
22.2 Printing and service activities related to printing	1,474	1,369	1,578	1,536
22.3 Reproduction of recorded media	2	3	2	2
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export)."

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports."

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use."

3) f) Largest enterprises:

"Gross output has been used as an indicator for the production of the enterprise."

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy."

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered."

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees."

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

More significant regulations in the sub-sector of forest-based Industry which are into force:

- Rulebook for technical normatives for the use of chain saws in forestry („Official Gazette of SFRY,, No.34/80)
- Order for compulsory attesting of plywood panels for general use in construction („Official Gazette of SFRY,, No.61/83)
- Law on forests („Official Gazette of RM,, No.47/97 and 7/2000)
- Rulebook on the contents of special plans for forest management, special plans for growing and protection of forests and annual performance plans („Official Gazette of RM,, No.48/98)
- Decision for defining forests for special purposes (article 15 of the Law on Forests-(„Official Gazette of RM,, No.47/97)
- Decision for founding a Public Enterprise for forest management („Official Gazette of RM,, No. 65/97)

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#) , point 9.

6. Glass and glassware

Glass and glassware include:

- 26.11 Manufacture of flat glass
- 26.12 Shaping and processing of flat glass
- 26.13 Manufacture of hollow glass
- 26.14 Manufacture of glass fibres
- 26.15 Manufacture and processing of other glass, including technical glassware

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
26.11 Manufacture of flat glass		-	-	-	-
26.12 Shaping and processing of flat glass	t	412	370	372	350
26.13 Manufacture of hollow glass		-	-	-	-
26.14 Manufacture of glass fibres	t	1,021	6,918	5,964	5,966
26.15 Manufacture and processing of other glass, including technical glassware		-	-	-	-
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
26.11 Manufacture of flat glass		-	-	-	-
26.12 Shaping and processing of flat glass	t	61.9	65.7	65.4	44.9
26.13 Manufacture of hollow glass		-	-	-	-
26.14 Manufacture of glass fibres	t	23.9	62.5	55.2	43.7
26.15 Manufacture and processing of other glass, including technical glassware		-	-	-	-
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
26.11 Manufacture of flat glass		-	-	-	-
26.12 Shaping and processing of flat glass	t	255	243	243	157
26.13 Manufacture of hollow glass		-	-	-	-
26.14 Manufacture of glass fibres	t	244	4,324	3,292	2,607
26.15 Manufacture and processing of other glass, including technical glassware		-	-	-	-
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	-	-	-	-
26.12 Shaping and processing of flat glass	31,102	27,877	30,024	21,080
26.13 Manufacture of hollow glass	-	-	-	-
26.14 Manufacture of glass fibres	24,422	393,302	325,311	253,336
26.15 Manufacture and processing of other glass, including technical glassware	-	-	-	-
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	137,760	141,012	177,194	164,408
26.12 Shaping and processing of flat glass	73,057	52,075	47,851	57,587
26.13 Manufacture of hollow glass	426,052	386,940	466,097	462,638
26.14 Manufacture of glass fibres	49,274	171,382	130,535	81,782
26.15 Manufacture and processing of other glass, including technical glassware	45,421	55,795	80,319	50,238
Source: State Statistical Office				

Forecast of domestic demand is not available.

d) National self-supply ratio (production – exports) (production + imports - exports)

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	-2.5	-0.2	-1.5	-0.9
26.12 Shaping and processing of flat glass	6.5	5.6	-13.0	-12.4
26.13 Manufacture of hollow glass	-1.1	-1.0	-1.0	-0.7
26.14 Manufacture of glass fibres	-45.6	64.0	45.8	30.7
26.15 Manufacture and processing of other glass, including technical glassware	-9.3	-7.8	-1.9	-1.1
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	1,547	707	504	816
26.12 Shaping and processing of flat glass	232	166	186	203
26.13 Manufacture of hollow glass	1,984	1,584	1,974	1,272
26.14 Manufacture of glass fibres	85	57	79	120
26.15 Manufacture and processing of other glass, including technical glassware	69	121	176	125
Source: State Statistical Office				

Table: Imports from the EU
In thousands of Euro

NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	313	342	257	362
26.12 Shaping and processing of flat glass	698	469	508	549
26.13 Manufacture of hollow glass	1,985	1,600	2,050	1,482
26.14 Manufacture of glass fibres	312	152	243	252
26.15 Manufacture and processing of other glass, including technical glassware	218	341	451	323

Source: State Statistical Office

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	7,726	7,660	9,849	9,520
26.12 Shaping and processing of flat glass	347	316	466	509
26.13 Manufacture of hollow glass	16,057	14,233	17,663	17,875
26.14 Manufacture of glass fibres	515	450	567	410
26.15 Manufacture and processing of other glass, including technical glassware	254	746	1,074	266

Source: State Statistical Office

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	2,049	1,981	2,686	2,344
26.12 Shaping and processing of flat glass	427	338	379	507
26.13 Manufacture of hollow glass	5,105	4,816	5,670	6,119
26.14 Manufacture of glass fibres	869	861	917	672
26.15 Manufacture and processing of other glass, including technical glassware	600	647	892	507

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	Countries
26.11 Manufacture of flat glass	Bulgaria, Serbia and Montenegro and Russian Federation
26.12 Shaping and processing of flat glass	Italy, Greece and Turkey
26.13 Manufacture of hollow glass	Croatia, Bulgaria and Serbia and Montenegro
26.14 Manufacture of glass fibres	Slovenia, Serbia and Montenegro and Germany
26.15 Manufacture and processing of other glass, including technical glassware	Croatia, Italy and Turkey

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU
In tons

NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	184	-	0	-
26.12 Shaping and processing of flat glass	29	17	10	6
26.13 Manufacture of hollow glass	0	2	1	26
26.14 Manufacture of glass fibres	228	2,929	2,120	1,199
26.15 Manufacture and processing of other glass, including technical glassware	1	0	-	-

Source: State Statistical Office

Table: Exports to the EU
In thousands of Euro

NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	17	-	1	-
26.12 Shaping and processing of flat glass	24	50	37	23
26.13 Manufacture of hollow glass	3	4	1	6
26.14 Manufacture of glass fibres	282	4,669	3,277	1,635
26.15 Manufacture and processing of other glass, including technical glassware	3	0	-	-

Source: State Statistical Office

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	193	7	54	32
26.12 Shaping and processing of flat glass	129	147	176	138
26.13 Manufacture of hollow glass	165	66	138	190
26.14 Manufacture of glass fibres	341	1,475	1,486	1,759
26.15 Manufacture and processing of other glass, including technical glassware	476	11	4	1

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	55	5	52	26
26.12 Shaping and processing of flat glass	438	368	566	437
26.13 Manufacture of hollow glass	71	59	75	52
26.14 Manufacture of glass fibres	553	1,795	1,674	2,087
26.15 Manufacture and processing of other glass, including technical glassware	66	71	25	9

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
26.11 Manufacture of flat glass	Serbia and Montenegro, Greece and Bulgaria
26.12 Shaping and processing of flat glass	Serbia and Montenegro, Croatia and Greece
26.13 Manufacture of hollow glass	Serbia and Montenegro, Slovenia and Bulgaria
26.14 Manufacture of glass fibres	Serbia and Montenegro, Italy and Spain
26.15 Manufacture and processing of other glass, including technical glassware	Serbia and Montenegro, Bosnia and Herzegovina and Croatia

Source: State Statistical Office

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio
In percent

NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	-	-	-	-
26.12 Shaping and processing of flat glass	90.3	91.4	122.4	133.9
26.13 Manufacture of hollow glass	-	-	-	-
26.14 Manufacture of glass fibres	207.9	100.1	92.8	90.1
26.15 Manufacture and processing of other glass, including technical glassware	-	-	-	-

Source: State Statistical Office

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	-	-	-	-
26.12 Shaping and processing of flat glass	219.5	176.4	180.4	307.1
26.13 Manufacture of hollow glass	-	-	-	-
26.14 Manufacture of glass fibres	293.7	15.7	21.7	22.4
26.15 Manufacture and processing of other glass, including technical glassware	-	-	-	-
Source: State Statistical Office				

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	11	14	0	-
26.12 Shaping and processing of flat glass	82	109	84	57
26.13 Manufacture of hollow glass	59	419	168	8
26.14 Manufacture of glass fibres	4	6	4	0
26.15 Manufacture and processing of other glass, including technical glassware	4	2	0	2
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	7	9	0	-
26.12 Shaping and processing of flat glass	20	61	46	30
26.13 Manufacture of hollow glass	4	94	37	4
26.14 Manufacture of glass fibres	1	5	3	0
26.15 Manufacture and processing of other glass, including technical glassware	1	1	0	2
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	0.0	0.0	0.0	-
26.12 Shaping and processing of flat glass	0.0	0.0	0.0	0.0
26.13 Manufacture of hollow glass	0.0	0.1	0.0	0.0
26.14 Manufacture of glass fibres	0.0	0.0	0.0	0.0
26.15 Manufacture and processing of other glass, including technical glassware	0.0	0.0	0.0	0.0
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	0.0	0.0	0.0	-
26.12 Shaping and processing of flat glass	0.0	0.0	0.0	0.0
26.13 Manufacture of hollow glass	0.0	0.0	0.0	0.0
26.14 Manufacture of glass fibres	0.0	0.0	0.0	0.0
26.15 Manufacture and processing of other glass, including technical glassware	0.0	0.0	0.0	0.0
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	32	22	2	-
26.12 Shaping and processing of flat glass	16	21	12	14
26.13 Manufacture of hollow glass	6	5	3	2
26.14 Manufacture of glass fibres	1	2	1	1
26.15 Manufacture and processing of other glass, including technical glassware	7	5	6	6
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	43	25	-	-
26.12 Shaping and processing of flat glass	267	299	273	154
26.13 Manufacture of hollow glass	343	332	175	3
26.14 Manufacture of glass fibres	32	35	26	9
26.15 Manufacture and processing of other glass, including technical glassware	22	5	5	9
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	0.0	0.0	-	-
26.12 Shaping and processing of flat glass	0.1	0.1	0.1	0.0
26.13 Manufacture of hollow glass	0.1	0.1	0.0	0.0
26.14 Manufacture of glass fibres	0.0	0.0	0.0	0.0
26.15 Manufacture and processing of other glass, including technical glassware	0.0	0.0	0.0	0.0
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
26.11 Manufacture of flat glass	S	11	32	14	22	0	2	-	-
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
26.12 Shaping and processing of flat glass	S	48	15	82	20	84	12	57	14
	M	33	1	26	1	-	-	-	-
	B	-	-	-	-	-	-	-	-
26.13 Manufacture of hollow glass	S	8	5	18	4	3	2	8	2
	M	-	-	402	1	-	-	-	-
	B	51	1	-	-	165	1	-	-
26.14 Manufacture of glass	S	4	1	6	2	4	1	1	1

	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
26.15 Manufacture and processing of other glass, including technical glassware	S	4	7	2	5	4	6	2	6
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-

Source: State Statistical Office

S-Small M-Medium B-Big

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	-	-	-	-
26.12 Shaping and processing of flat glass	-484	-	619	1,338
26.13 Manufacture of hollow glass	183,013	-	67	-
26.14 Manufacture of glass fibres	-	-	-	-
26.15 Manufacture and processing of other glass, including technical glassware	-	-	-	-

Source: State Statistical Office

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	123	81	42	-
26.12 Shaping and processing of flat glass	44,536	54,975	39,137	16,824
26.13 Manufacture of hollow glass	396,307	286,881	702	1,389
26.14 Manufacture of glass fibres	2,737	2,589	2,463	2,280
26.15 Manufacture and processing of other glass, including technical glassware	62,135	16,027	17,372	15,075

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	-	-	-	-
26.12 Shaping and processing of flat glass	-	-	-	-
26.13 Manufacture of hollow glass	-	-	-	-
26.14 Manufacture of glass fibres	-	-	-	-
26.15 Manufacture and processing of other glass, including technical glassware	-	-	-	-

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
26.11 Manufacture of flat glass	-	-	-	-
26.12 Shaping and processing of flat glass	MAKEDONIJA STAKLO	22,583	74	Private
	SIGURNOSNO STAKLO	37,347**	77**	Private
26.13 Manufacture of hollow glass	OHIM GES*	334,506	271	Private
26.14 Manufacture of glass fibres	-	-	-	-
26.15 Manufacture and processing of other glass, including technical glassware	-	-	-	-

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	152,5	379,0	-	-
26.12 Shaping and processing of flat glass	76,4	205,0	168,7	195,9
26.13 Manufacture of hollow glass	11,0	281,7	210,7	1,286,6
26.14 Manufacture of glass fibres	32,8	136,4	119,0	16,9
26.15 Manufacture and processing of other glass, including technical glassware	53,4	179,6	51,0	184,7
Source: State Statistical Office				

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	1	0	-	-
26.12 Shaping and processing of flat glass	41	71	68	37
26.13 Manufacture of hollow glass	39	78	47	3
26.14 Manufacture of glass fibres	4	6	5	1
26.15 Manufacture and processing of other glass, including technical glassware	3	2	3	2
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
26.11 Manufacture of flat glass	5	5	0	-
26.12 Shaping and processing of flat glass	61	47	38	27
26.13 Manufacture of hollow glass	55	326	132	4
26.14 Manufacture of glass fibres	3	2	1	0
26.15 Manufacture and processing of other glass, including technical glassware	2	1	4	1
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,"

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,,"

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#) , point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#) , point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

The answer may be seen in [15 I II A](#) , point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#) , point 9.

7. Cement

Cement includes:

- 26.51 Manufacture of cement
- 26.52 Manufacture of lime
- 26.53 Manufacture of plaster
- 26.6 Manufacture of articles of concrete, plaster and cement

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
26.51 Manufacture of cement	t	899,884	900,063	899,896	899,799
26.52 Manufacture of lime	t	70,000	70,000	70,000	70,000
26.53 Manufacture of plaster	t	200,000	200,000	199,975	199,930
26.6 Manufacture of articles of concrete, plaster and cement	Thous.PCE	8,489	5,605	5,793	5,792
	m ²	12,991,379	12,987,013	13,007,135	12,997,344
	t	869,220	973,642	932,740	876,885

Source: State Statistical Office

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
26.51 Manufacture of cement	t	96.7	70.0	86.4	92.5
26.52 Manufacture of lime	t	22.1	20.5	17.1	11.0
26.53 Manufacture of plaster	t	15.0	18.5	40.4	65.8
26.6 Manufacture of articles of concrete, plaster and cement	Thous.PCE	36.0	18.4	48.8	35.8
	m ²	23.2	30.8	57.2	75.1
	t	26.8	21.2	39.2	25.2

Source: State Statistical Office

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
26.51 Manufacture of cement	t	870,188	630,044	777,510	832,314
26.52 Manufacture of lime	t	15,468	14,339	11,951	7,727
26.53 Manufacture of plaster	t	30,000	37,000	80,790	131,554
26.6 Manufacture of articles of concrete, plaster and cement	Thous.PCE	3,058	1,029	2,825	2,073
	m ²	3,014,000	4,000,000	7,440,081	9,761,005
	t	233,217	206,271	365,633	220,594

Source: State Statistical Office

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	3,206,941	2,182,863	2,690,442	1,868,590
26.52 Manufacture of lime	57,113	59,401	51,172	27,777
26.53 Manufacture of plaster	137,376	169,430	369,953	602,411
26.6 Manufacture of articles of concrete, plaster and cement	1,447,654	1,521,805	2,581,457	2,962,219

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	2,548,705	1,391,909	2,153,715	1,587,342
26.52 Manufacture of lime	59,354	69,304	82,045	68,909
26.53 Manufacture of plaster	117,022	148,832	330,645	551,408
26.6 Manufacture of articles of concrete, plaster and cement	1,418,718	1,523,512	2,732,412	2,994,379
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	91.6	91.0	91.3	78.0
26.52 Manufacture of lime	77.3	83.6	61.2	35.5
26.53 Manufacture of plaster	96.0	96.9	97.9	99.1
26.6 Manufacture of articles of concrete, plaster and cement	98.1	97.9	93.3	97.7
Source: State Statistical Office				

2. Trade
a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU (In tons)				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	4,522	3,804	6,535	14,346
26.52 Manufacture of lime	1,178	1,101	1,526	1,819
26.53 Manufacture of plaster	333	497	519	360
26.6 Manufacture of articles of concrete, plaster and cement	554	1,012	2,018	2,899
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	610	596	879	1,313
26.52 Manufacture of lime	83	95	142	169
26.53 Manufacture of plaster	66	76	103	80
26.6 Manufacture of articles of concrete, plaster and cement	77	78	1,873	229
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	55,603	25,428	36,268	82,839
26.52 Manufacture of lime	2,334	1,450	6,498	8,997
26.53 Manufacture of plaster	117	7	71	15
26.6 Manufacture of articles of concrete, plaster and cement	6,263	7,201	15,164	12,940
Source: State Statistical Office				

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
26.51 Manufacture of cement	2,926	1,451	2,183	4,391
26.52 Manufacture of lime	138	92	380	557
26.53 Manufacture of plaster	11	1	9	2
26.6 Manufacture of articles of concrete, plaster and cement	372	438	1,108	908

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	Countries
26.51 Manufacture of cement	Bulgaria, Greece and Serbia and Montenegro
26.52 Manufacture of lime	Bulgaria, Greece and Serbia and Montenegro
26.53 Manufacture of plaster	Germany, Austria and Bulgaria
26.6 Manufacture of articles of concrete, plaster and cement	Bulgaria, Austria and Greece

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU
In tons

NACE	2000	2001	2002	2003
26.51 Manufacture of cement	24	-	-	5,073
26.52 Manufacture of lime	-	0	-	-
26.53 Manufacture of plaster	1	4	0	2
26.6 Manufacture of articles of concrete, plaster and cement	-	-	21	-

Source: State Statistical Office

Table: Exports to the EU
In thousands of Euro

NACE	2000	2001	2002	2003
26.51 Manufacture of cement	1	-	-	89
26.52 Manufacture of lime	-	0	-	-
26.53 Manufacture of plaster	0	0	0	0
26.6 Manufacture of articles of concrete, plaster and cement	-	-	2	-

Source: State Statistical Office

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
26.51 Manufacture of cement	273,077	368,614	295,296	189,089
26.52 Manufacture of lime	2,141	353	313	1,141
26.53 Manufacture of plaster	5,652	5,200	15,431	16,950
26.6 Manufacture of articles of concrete, plaster and cement	11,312	5,116	7,801	8,230

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
26.51 Manufacture of cement	14,372	15,030	11,864	10,204
26.52 Manufacture of lime	185	24	16	55
26.53 Manufacture of plaster	412	414	757	914
26.6 Manufacture of articles of concrete, plaster and cement	926	489	504	612

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
26.51 Manufacture of cement	Serbia and Montenegro, Greece and Albania
26.52 Manufacture of lime	Serbia and Montenegro and Albania
26.53 Manufacture of plaster	Serbia and Montenegro, Bulgaria and Croatia
26.6 Manufacture of articles of concrete, plaster and cement	Serbia and Montenegro and Albania
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	27.2	41.9	26.9	33.8
26.52 Manufacture of lime	19.6	2.4	2.0	12.0
26.53 Manufacture of plaster	18.2	14.9	12.5	9.3
26.6 Manufacture of articles of concrete, plaster and cement	3.9	2.0	1.2	1.3
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	6.7	5.7	6.9	18.7
26.52 Manufacture of lime	23.6	19.1	62.3	160.1
26.53 Manufacture of plaster	3.4	2.7	1.8	0.8
26.6 Manufacture of articles of concrete, plaster and cement	1.9	2.1	7.0	2.4
Source: State Statistical Office				

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	3,339	2,932	3,490	3,492
26.52 Manufacture of lime	5	2	4	4
26.53 Manufacture of plaster	359	505	578	836
26.6 Manufacture of articles of concrete, plaster and cement	482	434	484	421
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	1,973	1,567	1,958	1,866
26.52 Manufacture of lime	3	2	1	1
26.53 Manufacture of plaster	96	51	179	302
26.6 Manufacture of articles of concrete, plaster and cement	326	288	264	189
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	0.8	0.7	0.8	0.8
26.52 Manufacture of lime	0.0	0.0	0.0	0.0

26.53 Manufacture of plaster	0.1	0.1	0.1	0.2
26.6 Manufacture of articles of concrete, plaster and cement	0.1	0.1	0.1	0.1
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
26.51 Manufacture of cement	1.0	0.8	1.0	0.9
26.52 Manufacture of lime	0.0	0.0	0.0	0.0
26.53 Manufacture of plaster	0.1	0.0	0.1	0.1
26.6 Manufacture of articles of concrete, plaster and cement	0.2	0.2	0.1	0.1
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises

NACE	2000	2001	2002	2003
26.51 Manufacture of cement	1	1	1	1
26.52 Manufacture of lime	4	3	5	6
26.53 Manufacture of plaster	2	1	1	1
26.6 Manufacture of articles of concrete, plaster and cement	25	29	26	25
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees

NACE	2000	2001	2002	2003
26.51 Manufacture of cement	903	776	693	603
26.52 Manufacture of lime	6	3	2	2
26.53 Manufacture of plaster	195	194	180	179
26.6 Manufacture of articles of concrete, plaster and cement	183	396	311	188
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry
In percent

NACE	2000	2001	2002	2003
26.51 Manufacture of cement	0.2	0.2	0.1	0.1
26.52 Manufacture of lime	0.0	0.0	0.0	0.0
26.53 Manufacture of plaster	0.0	0.0	0.0	0.0
26.6 Manufacture of articles of concrete, plaster and cement	0.0	0.1	0.1	0.0
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
26.51 Manufacture of cement	S	-	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	-
	B	3,339	1	2,932	1	3,490	1	3,492	1
26.52 Manufacture of lime	S	5	4	2	3	4	5	4	6
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
26.53 Manufacture of plaster	S	0	1	-	-	-	-	-	-
	M	359	1	-	-	-	-	-	-
	B	-	-	505	1	578	1	836	1
26.6 Manufacture of articles of concrete, plaster and cement	S	482	25	434	29	278	25	225	24
	M	-	-	-	-	206	1	197	1
	B	-	-	-	-	-	-	-	-

Source: State Statistical Office
S-Small M-Medium B-Big

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	315,545	383,588	192,919	256,979
26.52 Manufacture of lime	-	-	-	-
26.53 Manufacture of plaster	-	17,350	18,500	17,837
26.6 Manufacture of articles of concrete, plaster and cement	1,647	10,969	17,276	41,083

Source: State Statistical Office

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	1,293,417	1,555,164	1,597,688	1,649,326
26.52 Manufacture of lime	605	535	602	879
26.53 Manufacture of plaster	1,408,685	1,337,155	1,272,252	1,183,130
26.6 Manufacture of articles of concrete, plaster and cement	159,159	288,682	241,851	223,704

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	2,062	2,459	2,912	-
26.52 Manufacture of lime	-	-	-	-
26.53 Manufacture of plaster	619	262	173	101
26.6 Manufacture of articles of concrete, plaster and cement	-	-	169	43

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
26.51 Manufacture of cement	USJE	3,492,200	603	Private
26.52 Manufacture of lime	-	-	-	-
26.53 Manufacture of plaster	KNAUF-RADIKA	835,729	179	Private
26.6 Manufacture of articles of concrete, plaster and cement	RENOVA	196,587	24	Private
	ADING-GRADBA	43,991	22	Private
	GIPSAR	31,002	11	Private
	BIZNIS CENTAR-ADING	30,523	18	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	2,184.9	2,019.9	2,826.0	3,094.7
26.52 Manufacture of lime	554.2	568.0	345.5	566.4
26.53 Manufacture of plaster	493.2	262.3	996.0	1,687.5
26.6 Manufacture of articles of concrete, plaster and cement	1,783.0	727.6	849.3	1,008.4

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	861	641	687	451
26.52 Manufacture of lime	2	0	0	0
26.53 Manufacture of plaster	186	148	120	144
26.6 Manufacture of articles of concrete, plaster and cement	196	204	169	133

Source: State Statistical Office

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
26.51 Manufacture of cement	1,366	1,365	1,532	1,626
26.52 Manufacture of lime	1	0	3	3
26.53 Manufacture of plaster	263	454	399	534
26.6 Manufacture of articles of concrete, plaster and cement	156	145	220	232

Source: State Statistical Office

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export,."

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),."

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use,."

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise,."

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered,..."

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees,..."

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

With the Law on standardisation from 1995 ("Official Gazette of RM" No. 23/95), 11.610 standards were accepted as macedonian standards – MKS, as well as technical provisions (rulebooks on quality, orders on compulsory attesting, rulebooks on technical normatives etc.). Most of these regulations have not been abolished and are still in use, i.e. they are enforced by the authorized ministries and bodies within the ministries. Most of the standards were compulsory.

With the new Law on Standardisation ("Official Gazette of RM" No. 54/02), all Macedonian standards are voluntary. In accordance with the Law on Prescribing Technical Requirements for Products and Conformity Assessment ("Official Gazette of RM" No.55/02), technical provisions are under authority of the respective ministries.

Based on the Law on Standardisation ("Official Gazette of RM" No. 54/02), the Institute for Standardisation established a commission that made 8 draft standards which are translated and are identical to the European standards from the area of cement: MKS EN 196 – 1; MKS EN 196 – 2; MKS EN – 196 – 3; MKS EN 196 – 4; MKS EN 196 – 5; MKS EN – 6; MKS EN – 21; MKS EN 197 – 1 cement – part one and MKS EN – 197 – 2.

Their adoption is expected.

In relation to technical regulations (rulebooks on quality, decrees on compulsory attesting, rulebooks on technical normatives etc.) in the area of construction and construction products, there are 46 regulations, and some of them apply in other areas too. More significant regulations (rulebooks) are: Rulebook on technical normatives for construction of high-construction objects in seismic areas (Official Gazette of SFRY No. 31/81, 49/82, 29/83, 21/88, 52/90), Rulebook on technical norms for reinforced concrete and concrete products (Official Gazette of SFRY No.15/90, 26/88), Rulebook on technical normatives for designing and performance of final works in construction (Official Gazette of SFRY No. 14/89) etc.

On the sector-related requirements for environmental protection, See [15 I II A](#) , point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#) , point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation**
- b) Guarantees**

See [15 I II A](#) , point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas**

See [15 I II A](#) , point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)**
- b) Present or envisaged restructuring or modernisation plans**

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted**

With the purpose of approximation of national legislation to Community legislation in the area of cement, we will start making a Law on Building Materials and by-laws that will be completely in accordance with the requirements of the Directive 89/106/EEC for construction products. The Law on building and the by-laws that derive from this Law are in preparation (this Law is being prepared by the Ministry of Transport and Communications and the Ministry of Environment and Physical Planning).

The control of cement quality will be done by certifying, inspection bodies that will be accredited in accordance with EU requirements – accreditation standards from EU series EU 45000 and ISO 17000.

b) Timetable

The Law on building with its attending by-laws is in the final phase, and its adoption and enforcement is expected in 2005.

The Law on Building Materials and by-laws will be made starting from 2005, and its adoption and enforcement is expected in 2006.

B. Chemicals and rubber

Chemicals and rubber include:

- 24 (excluding 24.4) Manufacture of chemicals and chemical products
- 25 Manufacture of rubber and plastic products

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	kg	10,338,960	9,566,639	9,475,491	10,349,015
	t	801,798	705,329	672,548	631,770
25 Manufacture of rubber and plastic products	t	32,056	26,862	29,406	38,886

Source: State Statistical Office

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	kg	28.5	23.3	28.9	23.1
	t	25.7	27.6	32.6	26.6
25 Manufacture of rubber and plastic products	t	38.7	31.1	46.7	41.4

Source: State Statistical Office

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	kg	2,947,110	2,231,803	2,736,613	2,385,607
	t	205,936	194,518	219,321	168,220
25 Manufacture of rubber and plastic products	t	12,406	8,348	13,721	16,104

Source: State Statistical Office

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	5,365,396	3,806,012	4,668,912	4,061,200
25 Manufacture of rubber and plastic products	946,886	695,942	1,172,522	1,428,058

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	12,002,881	9,999,546	11,995,711	11,590,590
25 Manufacture of rubber and plastic products	3,224,199	2,788,828	3,860,803	4,137,345

Source: State Statistical Office

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	28.3	19.4	22.7	22.0
25 Manufacture of rubber and plastic products	-0.3	-3.3	9.7	13.4
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	39,717	34,855	46,565	39,537
25 Manufacture of rubber and plastic products	9,560	8,142	8,759	11,926
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	61,849	57,867	63,669	63,173
25 Manufacture of rubber and plastic products	23,218	19,687	23,138	25,354
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	157,066	134,234	163,964	147,653
25 Manufacture of rubber and plastic products	14,338	13,334	17,063	17,261
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	80,311	74,460	88,392	84,148
25 Manufacture of rubber and plastic products	30,136	27,674	34,084	33,094
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
24 (excluding 24.4) Manufacture of chemicals and chemical products	Slovenia, Germany and Bulgaria
25 Manufacture of rubber and plastic products	Serbia and Montenegro, Italy and Greece
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	17,753	6,772	17,981	12,376
25 Manufacture of rubber and plastic products	745	731	1,608	851
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	2,712	2,270	4,016	2,107
25 Manufacture of rubber and plastic products	1,172	1,457	1,842	1,652
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	101,522	119,098	126,012	87,714
25 Manufacture of rubber and plastic products	7,028	6,489	6,562	8,502
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	30,080	28,575	28,628	22,958
25 Manufacture of rubber and plastic products	15,310	12,391	11,865	12,906
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
24 (excluding 24.4) Manufacture of chemicals and chemical products	Serbia and Montenegro, Bosnia and Herzegovina and Croatia
25 Manufacture of rubber and plastic products	Serbia and Montenegro, Greece and Bulgaria
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	37.1	49.3	42.7	37.9
25 Manufacture of rubber and plastic products	105.7	121.2	71.3	62.5
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	160.8	211.7	198.7	222.5
25 Manufacture of rubber and plastic products	342.1	414.5	297.6	250.9
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	4,036	3,586	1,669	1,693
25 Manufacture of rubber and plastic products	1,897	1,871	4,712	4,337
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	720	860	480	544
25 Manufacture of rubber and plastic products	708	831	1,290	1,190
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	2.7	2.6	1.3	1.2
25 Manufacture of rubber and plastic products	1.3	1.4	3.5	3.1
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	1.4	1.7	1.0	1.0
25 Manufacture of rubber and plastic products	1.3	1.6	2.7	2.3
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	132	129	126	122
25 Manufacture of rubber and plastic products	232	246	276	307
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	4,540	963	933	851
25 Manufacture of rubber and plastic products	2,693	6,188	5,714	5,581
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	2.8	0.6	0.6	0.6
25 Manufacture of rubber and plastic products	1.7	4.0	3.9	4.2
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
24 (excluding 24.4) Manufacture of chemicals and chemical products	S	707	124	865	125	720	122	582	118
	M	839	5	2,721	4	523	3	1,112	4
	B	2,490	3	-	-	426	1	-	-
25 Manufacture of rubber and plastic products	S	1,591	228	1,395	236	1,615	262	1,445	293
	M	306	4	602	9	732	9	878	8
	B	-	-	-126	1	2,365	5	2,014	6

Source: State Statistical Office
S-Small M-Medium B-Big

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	31,455	58,522	221,921	62,432
25 Manufacture of rubber and plastic products	47,290	85,603	90,065	60,221

Source: State Statistical Office

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	4,434,797	3,296,122	914,406	1,026,644
25 Manufacture of rubber and plastic products	1,135,545	1,864,794	4,394,492	4,496,815

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	291	2,126	1,365	1,277
25 Manufacture of rubber and plastic products	306	698	382	670

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
24 (excluding 24.4) Manufacture of chemicals and chemical products	ALKALOID	3,082,832	1,232	Private
	JAKA 80	782,570	362	Private
	TGS TEHNICKI GASOVI	409,429	169	Private
	ADING AD	292,681	123	Private
	AGROPIN	291,708	26	Private
	MAKPETROL TEMKO	16,168	58	Private
	TGS TEHNICKI GASOVI *	409,429	169	Private
	RAPID GAS NIKOLAOS*	21,012	14	Private
	SAHEM-HROMOS*	24,998	10	Private
	MAKPETROL TEMKO *	16,168	58	Private
	SILPEN*	117,954	144	Private
	ROLOPLAST*	64,822	27	Private
	DIPLAST MONDI*	3,902	22	Private
	AGROPIN *	291,708	26	Private
	AGRO-KUPER*	74,779	23	Private
	HEST-2000*	10,485	10	Private
	ADING AD *	292,681	123	Private
	DETONIT-BUCIM*	27,123	18	Private
25 Manufacture of rubber and plastic products	OHIS-PROIZVODSTVO	1,914,967	10	Private
	KONTI I HIDROPLAST	334,717	46	Private
	OHIM-GES	334,506	271	Private
	POLIPLAST	122,129	43	Private
	FELIKS	86,529	45	Private
	MOTOCENTAR	18,990	15	Private
	AVTO GUMA	9,642	50	Private
	TDA TREJD	6,818	18	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	158.6	893.4	514.8	638.7
25 Manufacture of rubber and plastic products	262.7	134.2	225.8	213.3

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	839	270	279	291
25 Manufacture of rubber and plastic products	585	991	1,167	1,063

Source: State Statistical Office

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
24 (excluding 24.4) Manufacture of chemicals and chemical products	3,316	2,726	1,188	1,150
25 Manufacture of rubber and plastic products	1,190	1,040	3,422	3,147
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

In the frames of the valid technical regulations typical to the chemical sector, the most important are: Rulebook on the ways of transport of dangerous substances in road traffic ("Official Gazette of SFRY" No. 82/90) and the Rulebook on technical norms for handling and storing fertilizer in hard state consisting ammonium-nitrate ("Official Gazette of SFRY" No. 55/91), which will be completely harmonized.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#) point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#) point 9.

and See [15 I III 2](#) and [15 I III 8](#) in which the legal regulative and by-laws are stated, that regulate the areas of production, handling and trade of chemical substances, as well as the action plans for approximation of our country's legislation to Community legislation.

From the area of tyres, i.e. pneumatics intended for use in road vehicles, they have to meet the requirements established by:

- Homologation Order UN ECE R54
- Order on Mandatory Homologation of tyres of Commercial Vehicles and their Trailers, except for Passenger Vehicles (Official Gazette of the SFRY No. 11/85) which was renewed and adopted by the Homologation Order for compulsory A-Test of vehicles on wheels, equipment and parts which can be built in and/or used in vehicles on wheels ("Official Gazette of RM" No. 89/2000, 95/2001, 21/2002, 45/2002, 35/2004)

The pneumatics (tyres) for tractors and their trailers are regulated by Commission Regulation (EC) No 106/2000 of 18 January 2000, and repaired tyres for motor vehicles and their trailers from vehicle categories M, N, O must meet the requirements of EC Guidelines No. 108 and 109 in the previously stated Guidelines.

1. Chemicals:

a) inorganic chemicals

b) petrochemicals and other organic chemicals

c) fertilisers

d) soap and detergents

e) cosmetics, perfume or scent and toilet waters

f) plastics

g) pesticides and biocides

h) paints and varnishes

i) other chemicals for industrial or private use (explosives, photographic products, adhesives)

Chemicals include:

- 24.11 Manufacture of industrial gases
- 24.12 Manufacture of dyes and pigments
- 24.13 Manufacture of other inorganic basic chemicals
- 24.14 Manufacture of other organic basic chemicals
- 24.15 Manufacture of fertilizers and nitrogen compounds
- 24.16 Manufacture of plastics in primary forms
- 24.17 Manufacture of synthetic rubber in primary forms
- 24.2 Manufacture of pesticides and other agro-chemical products
- 24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics
- 24.51 Manufacture of soap and detergents, cleaning and polishing preparations

- 24.52 Manufacture of perfumes and toilet preparations
- 24.6 Manufacture of other chemical products
- 24.7 Manufacture of man-made fibres

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
24.11 Manufacture of industrial gases	t	24,755	34,127	33,979	33,985
24.12 Manufacture of dyes and pigments		-	-	-	-
24.13 Manufacture of other inorganic basic chemicals	t	555,248	463,138	422,064	323,648
24.14 Manufacture of other organic basic chemicals	t	4,143	3,893	4,977	5,054
24.15 Manufacture of fertilizers and nitrogen compounds		-	-	-	-
24.16 Manufacture of plastics in primary forms	t	81,046	70,746	77,972	136,391
24.17 Manufacture of synthetic rubber in primary forms		-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	t	4,023	4,023	4,063	4,214
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	t	10,024	10,904	10,577	10,577
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	t	35,784	35,487	36,332	35,249
24.52 Manufacture of perfumes and toilet preparations	kg	5,338,960	5,338,960	5,338,960	5,338,960
24.6 Manufacture of other chemical products	kg	5,000,000	4,227,679	4,136,531	5,010,055
	t	86,776	83,011	82,584	82,651
24.7 Manufacture of man-made fibres		-	-	-	-

Source: State Statistical Office

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
24.11 Manufacture of industrial gases	t	71.0	66.7	65.8	74.6
24.12 Manufacture of dyes and pigments		-	-	-	-
24.13 Manufacture of other inorganic basic chemicals	t	23.8	26.0	28.3	18.2
24.14 Manufacture of other organic basic chemicals	t	40.7	34.7	21.9	14.7
24.15 Manufacture of fertilizers and nitrogen compounds		-	-	-	-
24.16 Manufacture of plastics in primary forms	t	19.5	16.9	18.1	16.1
24.17 Manufacture of synthetic rubber in primary forms		-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	t	4.4	1.4	1.6	1.4
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	t	62.0	59.4	69.1	65.2
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	t	62.4	57.5	61.8	52.3
24.52 Manufacture of perfumes and toilet preparations	kg	37.5	24.1	30.3	27.5
24.6 Manufacture of other chemical products	kg	18.9	22.4	27.1	18.3
	t	11.5	13.4	39.3	43.4
24.7 Manufacture of man-made fibres		-	-	-	-

Source: State Statistical Office

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
24.11 Manufacture of industrial gases	t	17,576	22,763	22,358	25,353
24.12 Manufacture of dyes and pigments		-	-	-	-
24.13 Manufacture of other inorganic basic chemicals	t	132,149	120,416	119,444	58,904
24.14 Manufacture of other organic basic chemicals	t	1,686	1,351	1,090	743
24.15 Manufacture of fertilizers and nitrogen compounds		-	-	-	-
24.16 Manufacture of plastics in primary forms	t	15,804	11,956	14,113	21,959
24.17 Manufacture of synthetic rubber in primary forms		-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	t	177	57	65	59
24.3 Manufacture of paints, varnishes and similar coatings, printing	t	6,215	6,477	7,309	6,896
24.51 Manufacture of soap and detergents, cleaning and polishing	t	22,329	20,405	22,453	18,435
24.52 Manufacture of perfumes and toilet preparations	kg	2,002,110	1,284,803	1,615,613	1,468,767
24.6 Manufacture of other chemical products	kg	945,000	947,000	1,121,000	916,840
	t	10,000	11,093	32,489	35,871
24.7 Manufacture of man-made fibres		-	-	-	-

Source: State Statistical Office

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	202,873	257,411	261,034	298,892
24.12 Manufacture of dyes and pigments	-	-	-	-
24.13 Manufacture of other inorganic basic chemicals	433,353	446,233	569,507	320,062
24.14 Manufacture of other organic basic chemicals	81,446	96,704	95,296	85,105
24.15 Manufacture of fertilizers and nitrogen compounds	1,978,056	823,349	1,067,654	516,912
24.16 Manufacture of plastics in primary forms	630,296	426,963	617,210	1,027,678
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	47,714	19,014	8,348	11,223
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	490,741	430,131	470,585	380,123
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	586,010	530,838	586,600	477,106
24.52 Manufacture of perfumes and toilet preparations	305,571	224,721	266,410	219,017
24.6 Manufacture of other chemical products	546,642	533,035	726,268	725,082
24.7 Manufacture of man-made fibres	62,694	17,613	0	0

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	202,484	254,574	276,245	297,392
24.12 Manufacture of dyes and pigments	251,189	211,322	207,030	208,607
24.13 Manufacture of other inorganic basic chemicals	683,241	643,294	832,492	580,465
24.14 Manufacture of other organic basic chemicals	1,106,642	981,269	1,039,827	866,213
24.15 Manufacture of fertilizers and nitrogen compounds	2,462,162	1,036,170	1,399,941	944,267
24.16 Manufacture of plastics in primary forms	1,837,246	1,657,721	2,112,178	2,517,510
24.17 Manufacture of synthetic rubber in primary forms	75,059	70,679	71,926	47,890
24.2 Manufacture of pesticides and other agro-chemical products	417,387	355,227	345,015	327,953
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	678,839	557,248	674,595	633,810
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	973,693	1,084,282	1,297,087	1,333,606
24.52 Manufacture of perfumes and toilet preparations	891,495	788,134	1,049,980	1,056,794
24.6 Manufacture of other chemical products	2,297,339	2,023,832	2,373,826	2,458,823

24.7 Manufacture of man-made fibres	126,104	335,795	315,570	317,262
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	83.4	86.0	72.8	69.7
24.12 Manufacture of dyes and pigments	-2.6	-2.2	-0.9	-1.9
24.13 Manufacture of other inorganic basic chemicals	33.5	32.6	35.8	31.4
24.14 Manufacture of other organic basic chemicals	-1.1	0.6	1.2	1.0
24.15 Manufacture of fertilizers and nitrogen compounds	71.5	35.6	44.5	39.3
24.16 Manufacture of plastics in primary forms	19.8	16.1	20.9	33.6
24.17 Manufacture of synthetic rubber in primary forms	-0.3	0.0	0.0	-1.7
24.2 Manufacture of pesticides and other agro-chemical products	5.2	2.3	-2.1	-1.6
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	36.8	34.8	26.5	9.4
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	18.9	22.1	23.2	19.3
24.52 Manufacture of perfumes and toilet preparations	20.1	11.3	11.5	7.4
24.6 Manufacture of other chemical products	17.7	17.8	23.5	22.8
24.7 Manufacture of man-made fibres	-120.0	-3.9	-2.0	-1.7
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	849	54	113	34
24.12 Manufacture of dyes and pigments	658	517	660	626
24.13 Manufacture of other inorganic basic chemicals	8,171	6,013	4,521	4,457
24.14 Manufacture of other organic basic chemicals	7,052	6,135	5,458	3,266
24.15 Manufacture of fertilizers and nitrogen compounds	1,509	3,865	12,710	7,119
24.16 Manufacture of plastics in primary forms	6,568	5,252	6,740	8,286
24.17 Manufacture of synthetic rubber in primary forms	677	682	638	310
24.2 Manufacture of pesticides and other agro-chemical products	525	397	339	463
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	2,070	1,451	3,150	5,977
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	5,201	4,386	3,182	2,444
24.52 Manufacture of perfumes and toilet preparations	1,091	1,108	1,329	1,200
24.6 Manufacture of other chemical products	4,567	4,270	7,082	4,364
24.7 Manufacture of man-made fibres	779	724	644	991
Source: State Statistical Office				

Table: Imports from the EU
In thousands of Euro

NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	174	42	69	53
24.12 Manufacture of dyes and pigments	2,434	1,811	2,075	1,772
24.13 Manufacture of other inorganic basic chemicals	2,478	2,232	1,829	1,490
24.14 Manufacture of other organic basic chemicals	9,703	8,890	8,705	5,817
24.15 Manufacture of fertilizers and nitrogen compounds	459	1,087	2,074	1,601
24.16 Manufacture of plastics in primary forms	8,532	8,430	10,020	10,612
24.17 Manufacture of synthetic rubber in primary forms	794	816	782	420
24.2 Manufacture of pesticides and other agro-chemical products	3,417	2,905	2,690	2,959
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	2,846	2,588	3,655	3,947
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	4,307	3,773	4,040	3,846
24.52 Manufacture of perfumes and toilet preparations	4,335	3,935	5,633	6,365
24.6 Manufacture of other chemical products	20,257	19,168	20,116	21,490
24.7 Manufacture of man-made fibres	2,114	2,189	1,982	2,799

Source: State Statistical Office

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	1,696	3,573	9,503	11,257
24.12 Manufacture of dyes and pigments	677	489	437	586
24.13 Manufacture of other inorganic basic chemicals	20,637	14,313	18,685	16,973
24.14 Manufacture of other organic basic chemicals	9,071	8,312	9,783	9,825
24.15 Manufacture of fertilizers and nitrogen compounds	81,943	65,065	72,885	53,290
24.16 Manufacture of plastics in primary forms	17,330	17,676	22,481	22,403
24.17 Manufacture of synthetic rubber in primary forms	408	331	439	427
24.2 Manufacture of pesticides and other agro-chemical products	630	550	680	639
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	5,482	4,272	6,210	6,868
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	8,431	10,315	13,602	16,529
24.52 Manufacture of perfumes and toilet preparations	1,880	1,925	2,343	2,619
24.6 Manufacture of other chemical products	7,518	5,575	5,007	4,904
24.7 Manufacture of man-made fibres	1,361	1,836	1,908	1,334

Source: State Statistical Office

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	379	544	1,164	1,417
24.12 Manufacture of dyes and pigments	1,814	1,738	1,352	1,690
24.13 Manufacture of other inorganic basic chemicals	5,010	4,890	6,927	4,999
24.14 Manufacture of other organic basic chemicals	8,725	7,122	8,128	8,138
24.15 Manufacture of fertilizers and nitrogen compounds	11,109	9,900	10,641	7,742
24.16 Manufacture of plastics in primary forms	16,027	14,412	17,376	16,664
24.17 Manufacture of synthetic rubber in primary forms	446	344	398	375
24.2 Manufacture of pesticides and other agro-chemical products	3,122	2,801	3,092	2,476
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	4,226	3,373	4,478	5,422
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	8,694	10,089	12,298	13,701
24.52 Manufacture of perfumes and toilet preparations	7,400	7,561	9,598	9,599
24.6 Manufacture of other chemical products	10,881	8,143	9,646	9,463
24.7 Manufacture of man-made fibres	2,478	3,543	3,294	2,463

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
24.11 Manufacture of industrial gases	Serbia and Montenegro, Bulgaria and Croatia
24.12 Manufacture of dyes and pigments	Germany, Switzerland and Greece
24.13 Manufacture of other inorganic basic chemicals	Slovenia, Bulgaria and Russian Federation
24.14 Manufacture of other organic basic chemicals	Germany, Ukraine and Turkey
24.15 Manufacture of fertilizers and nitrogen compounds	Bulgaria, Serbia and Montenegro and Russian Federation
24.16 Manufacture of plastics in primary forms	Bulgaria, Serbia and Montenegro and Germany
24.17 Manufacture of synthetic rubber in primary forms	Germany, Netherlands, Serbia and Montenegro
24.2 Manufacture of pesticides and other agro-chemical products	Germany, Italy and Switzerland
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	Slovenia, Greece and Italy
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	Croatia, Czech Republic and Slovenia
24.52 Manufacture of perfumes and toilet preparations	Slovenia, Italy and Germany
24.6 Manufacture of other chemical products	France, Ireland and Germany
24.7 Manufacture of man-made fibres	Germany, Bulgaria and United States of America
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	319	2,061	3,816	6,150
24.12 Manufacture of dyes and pigments	8	24	0	8
24.13 Manufacture of other inorganic basic chemicals	15,071	1,680	2,063	1,721
24.14 Manufacture of other organic basic chemicals	728	486	635	366
24.15 Manufacture of fertilizers and nitrogen compounds	-	2,404	11,374	4,057
24.16 Manufacture of plastics in primary forms	471	4	64	0
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	-	-	-	-
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	0	91	4	61
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	14	1	3	0
24.52 Manufacture of perfumes and toilet preparations	14	4	12	0
24.6 Manufacture of other chemical products	6	18	4	5
24.7 Manufacture of man-made fibres	1,123	-	6	8
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	23	151	231	419
24.12 Manufacture of dyes and pigments	13	48	0	7
24.13 Manufacture of other inorganic basic chemicals	898	1,319	1,681	942
24.14 Manufacture of other organic basic chemicals	153	99	159	160
24.15 Manufacture of fertilizers and nitrogen compounds	-	527	1,734	510
24.16 Manufacture of plastics in primary forms	394	11	48	1
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	-	-	-	-
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	0	18	16	15
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	11	9	7	0
24.52 Manufacture of perfumes and toilet preparations	82	34	110	3
24.6 Manufacture of other chemical products	31	54	15	32
24.7 Manufacture of man-made fibres	1,108	-	14	17
Source: State Statistical Office				

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	3,304	3,186	5,470	11,344
24.12 Manufacture of dyes and pigments	31	13	12	35
24.13 Manufacture of other inorganic basic chemicals	46,169	46,639	45,347	24,904
24.14 Manufacture of other organic basic chemicals	1,980	1,258	1,757	602
24.15 Manufacture of fertilizers and nitrogen compounds	16,045	32,480	30,205	12,485
24.16 Manufacture of plastics in primary forms	5,229	4,173	4,169	4,324
24.17 Manufacture of synthetic rubber in primary forms	3	-	0	16
24.2 Manufacture of pesticides and other agro-chemical products	84	51	52	66
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	16,934	20,178	25,770	23,047
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	7,481	8,080	9,314	7,319
24.52 Manufacture of perfumes and toilet preparations	901	895	720	701
24.6 Manufacture of other chemical products	1,688	1,562	2,992	2,741
24.7 Manufacture of man-made fibres	1,674	582	205	130

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	537	481	753	1,075
24.12 Manufacture of dyes and pigments	96	30	31	57
24.13 Manufacture of other inorganic basic chemicals	2,500	2,562	3,141	1,488
24.14 Manufacture of other organic basic chemicals	1,386	1,387	1,207	1,089
24.15 Manufacture of fertilizers and nitrogen compounds	3,595	6,981	5,547	2,146
24.16 Manufacture of plastics in primary forms	4,104	2,720	3,104	3,009
24.17 Manufacture of synthetic rubber in primary forms	3	-	0	14
24.2 Manufacture of pesticides and other agro-chemical products	442	176	258	270
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	3,963	3,857	4,771	5,213
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	6,607	4,768	4,690	3,576
24.52 Manufacture of perfumes and toilet preparations	2,022	2,209	2,272	2,296
24.6 Manufacture of other chemical products	2,277	2,776	2,730	2,636
24.7 Manufacture of man-made fibres	2,547	629	123	90

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
24.11 Manufacture of industrial gases	Serbia and Montenegro, Albania and Greece
24.12 Manufacture of dyes and pigments	Serbia and Montenegro, Italy and Albania
24.13 Manufacture of other inorganic basic chemicals	Serbia and Montenegro, Germany and Bulgaria
24.14 Manufacture of other organic basic chemicals	Serbia and Montenegro, Germany and Turkey
24.15 Manufacture of fertilizers and nitrogen compounds	Serbia and Montenegro, Greece and Belgium
24.16 Manufacture of plastics in primary forms	Serbia and Montenegro, Bulgaria and Croatia
24.17 Manufacture of synthetic rubber in primary forms	Serbia and Montenegro, Albania and Bosnia and Herzegovina
24.2 Manufacture of pesticides and other agro-chemical products	Serbia and Montenegro, Albania and Romania
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	Serbia and Montenegro, Bulgaria and Croatia
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	Serbia and Montenegro, Bulgaria and Bosnia and Herzegovina
24.52 Manufacture of perfumes and toilet preparations	Serbia and Montenegro, Bosnia and Herzegovina and Croatia
24.6 Manufacture of other chemical products	Serbia and Montenegro, Bulgaria and Croatia
24.7 Manufacture of man-made fibres	Serbia and Montenegro, Bulgaria and Germany

Source: State Statistical Office

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	16.8	15.0	23.0	30.6
24.12 Manufacture of dyes and pigments	-	-	-	-
24.13 Manufacture of other inorganic basic chemicals	47.6	53.0	51.6	46.6
24.14 Manufacture of other organic basic chemicals	114.7	93.5	87.4	90.1
24.15 Manufacture of fertilizers and nitrogen compounds	11.0	55.3	41.6	31.7
24.16 Manufacture of plastics in primary forms	43.3	38.9	31.1	17.9
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	56.2	56.4	188.2	147.5
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	49.0	54.9	62.0	84.3
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	68.5	54.8	48.8	46.0
24.52 Manufacture of perfumes and toilet preparations	41.8	60.8	54.5	64.4
24.6 Manufacture of other chemical products	25.6	32.3	23.1	22.6
24.7 Manufacture of man-made fibres	354.4	217.0	-	-

Source: State Statistical Office

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	16.6	13.9	28.8	30.1
24.12 Manufacture of dyes and pigments	-	-	-	-
24.13 Manufacture of other inorganic basic chemicals	104.9	97.1	93.8	124.5
24.14 Manufacture of other organic basic chemicals	1,373.4	1,008.2	1,078.6	1,008.0
24.15 Manufacture of fertilizers and nitrogen compounds	35.5	81.1	72.8	110.9
24.16 Manufacture of plastics in primary forms	236.5	325.9	270.7	162.7
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	831.2	1,824.6	4,221.1	2,969.7
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and	87.5	84.4	105.4	151.1
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	134.7	159.1	169.9	225.5
24.52 Manufacture of perfumes and toilet preparations	233.2	311.6	348.6	446.9
24.6 Manufacture of other chemical products	345.9	312.0	249.9	261.7
24.7 Manufacture of man-made fibres	444.3	1,981.1	-	-

Source: State Statistical Office

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	418	394	475	436
24.12 Manufacture of dyes and pigments	78	66	65	51
24.13 Manufacture of other inorganic basic chemicals	74	70	60	31
24.14 Manufacture of other organic basic chemicals	15	13	13	15
24.15 Manufacture of fertilizers and nitrogen compounds	0	0	0	1
24.16 Manufacture of plastics in primary forms	400	405	373	225
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	214	232	266	440
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	50	60	54	63
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	50	33	39	55
24.52 Manufacture of perfumes and toilet preparations	0	2	3	4
24.6 Manufacture of other chemical products	256	290	321	372
24.7 Manufacture of man-made fibres	2,481	2,021	-	-

Source: State Statistical Office

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	150	164	169	182
24.12 Manufacture of dyes and pigments	19	22	18	12
24.13 Manufacture of other inorganic basic chemicals	30	42	29	15
24.14 Manufacture of other organic basic chemicals	3	5	3	10
24.15 Manufacture of fertilizers and nitrogen compounds	0	0	0	1
24.16 Manufacture of plastics in primary forms	134	119	66	5
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	54	28	53	136
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	13	15	18	34
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	24	9	16	20
24.52 Manufacture of perfumes and toilet preparations	0	1	1	2
24.6 Manufacture of other chemical products	88	104	106	127
24.7 Manufacture of man-made fibres	205	351	-	-

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	0.1	0.1	0.1	0.1
24.12 Manufacture of dyes and pigments	0.0	0.0	0.0	0.0
24.13 Manufacture of other inorganic basic chemicals	0.0	0.0	0.0	0.0
24.14 Manufacture of other organic basic chemicals	0.0	0.0	0.0	0.0
24.15 Manufacture of fertilizers and nitrogen compounds	0.0	0.0	0.0	0.0
24.16 Manufacture of plastics in primary forms	0.1	0.1	0.1	0.1
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	0.1	0.1	0.1	0.1
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	0.0	0.0	0.0	0.0
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	0.0	0.0	0.0	0.0
24.52 Manufacture of perfumes and toilet preparations	0.0	0.0	0.0	0.0
24.6 Manufacture of other chemical products	0.1	0.1	0.1	0.1
24.7 Manufacture of man-made fibres	0.6	0.5	-	-

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	0.1	0.1	0.1	0.1
24.12 Manufacture of dyes and pigments	0.0	0.0	0.0	0.0
24.13 Manufacture of other inorganic basic chemicals	0.0	0.0	0.0	0.0
24.14 Manufacture of other organic basic chemicals	0.0	0.0	0.0	0.0
24.15 Manufacture of fertilizers and nitrogen compounds	0.0	0.0	0.0	0.0
24.16 Manufacture of plastics in primary forms	0.1	0.1	0.0	0.0
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	0.0	0.0	0.0	0.1
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	0.0	0.0	0.0	0.0
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	0.0	0.0	0.0	0.0
24.52 Manufacture of perfumes and toilet preparations	0.0	0.0	0.0	0.0
24.6 Manufacture of other chemical products	0.0	0.1	0.1	0.1
24.7 Manufacture of man-made fibres	0.1	0.2	-	-

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	4	6	7	7
24.12 Manufacture of dyes and pigments	7	8	8	8
24.13 Manufacture of other inorganic basic chemicals	21	17	16	13
24.14 Manufacture of other organic basic chemicals	5	8	6	5
24.15 Manufacture of fertilizers and nitrogen compounds	1	1	1	3
24.16 Manufacture of plastics in primary forms	31	30	30	23
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	4	4	4	4
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	14	13	12	13
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	20	18	20	23
24.52 Manufacture of perfumes and toilet preparations	3	5	5	5
24.6 Manufacture of other chemical products	19	18	17	18
24.7 Manufacture of man-made fibres	3	1	-	-
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	185	193	199	195
24.12 Manufacture of dyes and pigments	38	43	42	40
24.13 Manufacture of other inorganic basic chemicals	102	86	80	70
24.14 Manufacture of other organic basic chemicals	15	25	20	18
24.15 Manufacture of fertilizers and nitrogen compounds	1	1	2	2
24.16 Manufacture of plastics in primary forms	621	345	302	237
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	53	50	61	50
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	26	27	26	27
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	39	31	37	37
24.52 Manufacture of perfumes and toilet preparations	2	4	6	7
24.6 Manufacture of other chemical products	157	157	158	168
24.7 Manufacture of man-made fibres	3,301	1	-	-
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	0.0	0.0	0.0	0.0
24.12 Manufacture of dyes and pigments	0.0	0.0	0.0	0.0
24.13 Manufacture of other inorganic basic chemicals	0.0	0.0	0.0	0.0
24.14 Manufacture of other organic basic chemicals	0.0	0.0	0.0	0.0
24.15 Manufacture of fertilizers and nitrogen compounds	0.0	0.0	0.0	0.0
24.16 Manufacture of plastics in primary forms	0.1	0.1	0.1	0.1
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	0.0	0.0	0.0	0.0
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	0.0	0.0	0.0	0.0
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	0.0	0.0	0.0	0.0
24.52 Manufacture of perfumes and toilet preparations	0.0	0.0	0.0	0.0
24.6 Manufacture of other chemical products	0.0	0.0	0.0	0.0
24.7 Manufacture of man-made fibres	0.7	0.0	-	-
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
24.11 Manufacture of industrial gases	S	4	3	22	5	49	6	27	6
	M	414	1	371	1	-	-	409	1
	B	-	-	-	-	426	1	-	-
24.12 Manufacture of dyes and pigments	S	78	7	66	8	65	8	51	8
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
24.13 Manufacture of other inorganic basic chemicals	S	74	21	70	17	60	16	31	13
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
24.14 Manufacture of other organic basic chemicals	S	15	5	13	8	13	6	15	5
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
24.15 Manufacture of fertilizers and nitrogen compounds	S	0	1	0	1	0	1	1	3
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
24.16 Manufacture of plastics in primary forms	S	310	29	405	30	234	29	107	22
	M	20	1	-	-	140	1	118	1
	B	70	1	-	-	-	-	-	-
24.17 Manufacture of synthetic rubber in primary forms	S	-	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	S	51	3	106	3	116	3	149	3
	M	163	1	126	1	150	1	292	1
	B	-	-	-	-	-	-	-	-
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	S	50	14	60	13	54	12	63	13
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	S	50	20	33	18	39	20	55	23
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
24.52 Manufacture of perfumes and toilet preparations	S	0	3	2	5	3	5	4	5
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
24.6 Manufacture of other chemical products	S	75	18	86	17	87	16	80	17
	M	181	1	203	1	233	1	293	1
	B	-	-	-	-	-	-	-	-
24.7 Manufacture of man-made fibres	S	-	-	-	-	-	-	-	-
	M	60	1	2,021	1	-	-	-	-
	B	2,421	2	-	-	-	-	-	-
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	17,707	44,926	176,763	26,883
24.12 Manufacture of dyes and pigments	1,521	-	-	-
24.13 Manufacture of other inorganic basic chemicals	-	-	-	-
24.14 Manufacture of other organic basic chemicals	-	-	-	-
24.15 Manufacture of fertilizers and nitrogen compounds	-	-	-	-
24.16 Manufacture of plastics in primary forms	4,784	5,147	4,057	8,766
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	6,841	3,639	38,975	15,873
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	-	-	-	-
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	-	-	-	-
24.52 Manufacture of perfumes and toilet preparations	-	-	-	-
24.6 Manufacture of other chemical products	584	4,810	2,126	10,910
24.7 Manufacture of man-made fibres	18	-	-	-
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	141,192	276,591	383,240	420,658
24.12 Manufacture of dyes and pigments	16,338	18,617	14,651	17,972
24.13 Manufacture of other inorganic basic chemicals	22,739	26,077	15,522	79,483
24.14 Manufacture of other organic basic chemicals	2,491	9,548	11,609	13,275
24.15 Manufacture of fertilizers and nitrogen compounds	3,392	274	271	3,920
24.16 Manufacture of plastics in primary forms	1,149,245	917,285	207,308	120,811
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	79,739	73,985	122,825	138,862
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	11,585	11,147	18,005	37,021
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	26,731	22,349	23,038	17,550
24.52 Manufacture of perfumes and toilet preparations	849	993	944	883
24.6 Manufacture of other chemical products	93,811	119,180	116,995	176,208
24.7 Manufacture of man-made fibres	2,886,685	1,820,075	-	-
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	291	2,014	25	352
24.12 Manufacture of dyes and pigments	-	-	-	-
24.13 Manufacture of other inorganic basic chemicals	-	-	-	-
24.14 Manufacture of other organic basic chemicals	-	8	-	-
24.15 Manufacture of fertilizers and nitrogen compounds	-	-	-	-
24.16 Manufacture of plastics in primary forms	-	-	26	119
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	-	-	-	-
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	-	-	-	-
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	-	-	-	-
24.52 Manufacture of perfumes and toilet preparations	-	-	-	-
24.6 Manufacture of other chemical products	-	104	1,314	806
24.7 Manufacture of man-made fibres	-	-	-	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
24.11 Manufacture of industrial gases	TGS TEHNICKI GASOVI	409,429	169	Private
	RAPID GAS NIKOLAOS	21,012	14	Private
24.12 Manufacture of dyes and pigments	SAHEM-HROMOS	24,998	10	Private
24.13 Manufacture of other inorganic basic chemicals	MAKPETROL-TEMKO	16,168	58	Private
24.14 Manufacture of other organic basic chemicals	-	-	-	-
24.15 Manufacture of fertilizers and nitrogen compounds	FABRIKA ZA VESTACKI GUBRIVA VELES	-	-	-
24.16 Manufacture of plastics in primary forms	SILPEN	117,954	144	Private
	ROLOPLAST	64,822	27	Private
	ENIGMA*	45,157	30	Private
	DIPLAST MONDI	3,902	22	Private
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	AGROPIN	291,708	26	Private
	AGRO-KUPER	74,779	23	Private
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	HEST-2000	10,485	10	Private
	ALKALOID*	3,082,832	1232	Private
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	OHIS*	2,569	1883	Private
	ALKALOID*	3,082,832	1232	Private
24.52 Manufacture of perfumes and toilet preparations	JAKA 80*	782,570	632	Private
	ALKALOID*	3,082,832	1232	Private
	OHIS	2,569	1883	Private
24.6 Manufacture of other chemical products	ADING AD	292,681	123	Private
	DETONIT-BUCIM	27,123	18	Private
24.7 Manufacture of man-made fibres	-	-	-	-

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	808.6	850.2	849.3	934.7
24.12 Manufacture of dyes and pigments	501.6	508.6	424.1	305.1
24.13 Manufacture of other inorganic basic chemicals	290.0	489.8	364.6	211.0
24.14 Manufacture of other organic basic chemicals	207.3	197.4	165.3	546.7
24.15 Manufacture of fertilizers and nitrogen compounds	236.9	340.6	48.2	363.9
24.16 Manufacture of plastics in primary forms	215.9	344.0	218.9	21.7
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	1,014.1	553.4	873.0	2,723.7
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	515.2	569.6	703.6	1,266.8
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	610.7	297.1	422.8	544.8
24.52 Manufacture of perfumes and toilet preparations	194.4	303.4	223.8	214.8
24.6 Manufacture of other chemical products	558.0	663.8	673.0	753.1
24.7 Manufacture of man-made fibres	62.2	350,612.8	-	-

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	75	87	86	99
24.12 Manufacture of dyes and pigments	12	11	10	9
24.13 Manufacture of other inorganic basic chemicals	24	19	23	20
24.14 Manufacture of other organic basic chemicals	3	6	6	7
24.15 Manufacture of fertilizers and nitrogen compounds	0	0	0	1
24.16 Manufacture of plastics in primary forms	125	62	76	55
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	20	15	15	15
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	10	7	6	8
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	11	7	9	12
24.52 Manufacture of perfumes and toilet preparations	1	1	1	2
24.6 Manufacture of other chemical products	51	50	47	63
24.7 Manufacture of man-made fibres	507	4	-	-
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
24.11 Manufacture of industrial gases	268	230	306	254
24.12 Manufacture of dyes and pigments	59	44	47	38
24.13 Manufacture of other inorganic basic chemicals	45	28	31	16
24.14 Manufacture of other organic basic chemicals	12	8	10	5
24.15 Manufacture of fertilizers and nitrogen compounds	0	0	0	0
24.16 Manufacture of plastics in primary forms	266	286	307	220
24.17 Manufacture of synthetic rubber in primary forms	-	-	-	-
24.2 Manufacture of pesticides and other agro-chemical products	160	204	212	304
24.3 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	36	44	36	29
24.51 Manufacture of soap and detergents, cleaning and polishing preparations	26	23	23	35
24.52 Manufacture of perfumes and toilet preparations	0	1	2	3
24.6 Manufacture of other chemical products	169	185	214	246
24.7 Manufacture of man-made fibres	2,275	1,670	-	-
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered...".

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees...".

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

In the scope of the valid technical regulations characteristic for the chemical sector, the most important are: Rulebook on the ways of transport of dangerous substances in road traffic ("Official Gazette of SFRY" no. 82/90) and Rulebook on technical norms for handling and storing fertilizer in hard state consisting ammonium-nitrate ("Official Gazette of SFRY" no. 55/91) which will be fully harmonized.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

Regarding **chemicals** see [15 I III 2](#)

The Area of classification, packing and labeling of chemicals according to the EU directives (67/548/EEC, 2001/59/EEC), will be regulated with the Law on chemicals which is in procedure of preparing, as well as with by-laws that will derive from this law. Currently, this area is covered with its provisions by following laws and rulebooks:

- Law on Traffic of Toxins("Official Gazette of RM" no. 13/91)

- Law on Production of Toxins (“Official Gazette of RM” no. 18/76)
- Law on Transport of Dangerous Materials (“Official Gazette of SFRY” no. 27/90, 45/90, 12/93)
- Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices (“Official Gazette of RM” no. 21/98)
- Law on Precursors (“Official Gazette of RM” no. 37/2004)
- Rulebook for labelling toxic substances which are on sale on the domestic market (“Official Gazette of SFRY” no. 32/86)
- Rulebook on the way of destroying unused poisons and wrapping material used for packing poisons and on the way of withdrawing poisons out of sale (“Official Gazette of SFRY” no. 7/83)

Regulations from the area of **fertilizers** are:

- Law on quality and quality control of fertilizers (“Official Gazette of RM” no. 10/1973) regulates the area of chemical compounds and their mixtures intended for plant nutrition. It further regulates the sale, declaration, storage, transport documentation, registration-register of fertilizers that are not on the standard list, the control authorities and other;
- Rulebook on quality and methods of taking, preparing and delivering samples for examination or analysis, on unified methods of examination or analysis, for the register and for declaration of fertilizers (“Official Gazette of RM” no. 13/1975). As a by-law, it further regulates this area, together with the Annex List of Standard Fertilizers, which is part of the Rulebook. It prescribes the groups of fertilizers and their mixtures, the standard list of fertilizers, conditions for putting on sale, procedures for registering the fertilizers in the register of fertilizers, the requirements for the institutions that perform analysis, the methods of analysis and taking samples for analysis, the register of fertilizers, the declaration, the manner of packaging, storing, control of turnover by authorized inspection bodies.

Area of **plant protection** is regulated by following regulations:

- Law on plant protection (“Official Gazette of RM” no. 25/98, 06/00)
- Rulebook on the manner of declaration of the plant protection agents (“Official Gazette of RM” no. 65/2001)

Production and traffic of the cosmetic products (including the personal hygiene products-soaps) are regulated with the following regulations:

- Rulebook on general minimal technical conditions of premises, devices and equipment for production, storing, keeping and turnover of foodstuff and products for general use (“Official Gazette of RM” no. 17/79)
- Rulebook on conditions concerning the health accuracy of the products for general use which can be put in sale (“Official Gazette of SFRY” no. 26/83)
- Rulebook on methods for determining Ph value and quantity of toxic metals and non-metals in the products of personal hygiene, care products and products of face and body nourishing and for determining microbiologic accuracy of these products (“Official Gazette of SFRY” no. 46/83).

In the working program of the Government of the Republic of Macedonia and the National program for approximation the legislation it is envisaged to adopt a new Law on Safety of Cosmetic Products. It is envisaged the new law as well as its by-laws derived to be harmonized with the **Directive 76/768** for approximation of the laws of member countries for cosmetic products, as well as with its amendments and modifications:

- Council Directive 79/661/EEC of 24 July 1979
- Commission Directive 82/147/EEC of 11 February 1982
- Council Directive 82/368/EEC of 17 May 1982
- Commission Directive 89/191/EEC of 30 March 1983
- Commission Directive 83/341/EEC of 29 June 1983
- Commission Directive 83/496/EEC of 22 September 1983
- Council Directive 83/574/EEC of 26 October 1983

- Commission Directive 84/415/EEC of 18 Juli 1984
- Commission Directive 85/391/EEC of 18 July 1985
- Commission Directive 86/179/EEC of 16 Juli 1985
- Commission Directive 86/199/EEC of 26 March 1986
- Commission Directive 87/137/EEC of 2 February 1987
- Commission Directive 88/233/EEC of 2 March 1988
- Council Directive 88/667/EEC of 21 December 1988
- Commission Directive 89/174/EEC of 21 February 1989
- Council Directive 89/679/EEC of 21 December 1989
- Commission Directive 90/121/EEC of 20 February 1990
- Commission Directive 91/184/EEC of 12 March 1991
- Commission Directive 92/8/EEC of 18 February 1992
- Commission Directive 92/86/EEC of 21 October 1992
- Council Directive 93/35/EEC of 14 June 1993
- Council Directive 93/47/EEC of 22 June 1993
- Commission directive 94/32/EEC of 29 June 1994
- Commission Directive 95/34/EC of 10 July 1995
- Commission Directive 96/41/EC of 25 June 1996
- Commission Directive 97/1/EC of 10 January 1997
- Commission Directive 97/18/EC of 17 April 1997
- Commission Directive 97/45/EC of 14 July 1997
- Commission Directive 98/16/EC of 5 March 1998
- Commission Directive 98/62/EC of 3 September 1998
- Commission Directive 2000/6/EEC of 29 February 2000
- Commission Directive 2000/11/EEC of 10 March 2000
- Commission directive 2000/41/EC of 19 June 2000
- Commission Directive 2002/34/EC of 15 April 2002
- Commission Directive 2003/1/EC of 6 January 2003
- Commission Directive 2003/16/EC of 19 February 2003
- Directive 2003/15/EC of the European parliament and of the Council of 27 February 2003
- Commission Directive 2003/80/EC of 5 September 2003
- Commission directive 2003/83/EC of 24 September 2003

Deadline for adopting the new regulation is 2005.

Issuing licences and transfer of explosive materials (See [15 I III 2](#)) for civil use are connected with following regulations:

- Law on Protection from Explosive Materials (“Official Gazette of SRM” No. 4/78, 10/78, 51/88 and 36/90, and “Official Gazette of RM” No. 12/93 and 31/93).
- Law on Traffic of Explosive Materials (“Official Gazette of SFRY” no. 30/85, 6/89 and 53/91).
- Law on Transport of Dangerous Materials (“Official Gazette of SFRY” no. 27/90 and 45/90 and “Official Gazette of RM” no. 12/93).
- Rulebook on technical normatives for handling explosive materials and mining in extractive industry (Official Gazette of SFRY No. 26/88 and 63/88)
- Rulebook on protection during work and during production of explosives and gunpowder and during manipulation with explosives and gunpowder (“Official Gazette of SFRY” no. 55/69)
- Rulebook on storing and keeping carbid and manipulating with carbid (“Official Gazette of SFRY” no. 9/62 and 25/69)
- Rulebook on the ways of transport of dangerous substances in road traffic (“Official Gazette of SFRY” no. 82/90)
- List of explosive materials which can be put on sale (“Official Gazette of RM” no. 64/98)
- List for modifying and amending the list of explosive materials which can be put on sale (“Official Gazette of RM” no. 19/2000)

- List for modifying and amending the list of explosive materials which can be put on sale ("Official Gazette of RM" no. 46/2004)
- Law on mineral resources ("Official Gazette of RM" no. 18/99)
- Rulebook on technical regulations during work on processing ammonium nitrate, for handling and storing ammonium nitrate and its mixtures ("Official Gazette of SFRY" no. 31/61, 13/66 and 27/68)

2. Rubber: tyres and general rubber goods

Rubber: tyres and general rubber goods include:

- 25.1 Manufacture of rubber products
- 25.2 Manufacture of plastic products

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
25.1 Manufacture of rubber products	t	3,858	668	676	633
25.2 Manufacture of plastic products	t	28,198	26,194	28,730	38,253
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
25.1 Manufacture of rubber products	t	38.1	71.4	90.3	40.8
25.2 Manufacture of plastic products	t	38.8	30.0	45.6	41.4
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
25.1 Manufacture of rubber products	t	1,468	477	610	258
25.2 Manufacture of plastic products	t	10,938	7,871	13,111	15,846
Source: State Statistical Office					

Table: Realized Production In thousands of MKD					
NACE	2000	2001	2002	2003	
25.1 Manufacture of rubber products	104,840	92,500	112,934	51,557	
25.2 Manufacture of plastic products	842,046	603,442	1,059,588	1,376,501	
Source: State Statistical Office					

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	1,205,371	962,069	1,204,898	1,174,459
25.2 Manufacture of plastic products	2,018,828	1,826,759	2,655,904	2,962,887
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	1.9	2.5	5.3	3.3
25.2 Manufacture of plastic products	-1.6	-6.3	11.6	17.5
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	1,359	935	1,348	3,727
25.2 Manufacture of plastic products	8,201	7,207	7,411	8,199
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	5,355	4,048	5,473	7,194
25.2 Manufacture of plastic products	17,863	15,639	17,665	18,160
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	5,851	4,499	5,432	4,977
25.2 Manufacture of plastic products	8,487	8,835	11,631	12,284
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	14,153	11,364	13,239	11,350
25.2 Manufacture of plastic products	15,983	16,310	20,845	21,744
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
25.1 Manufacture of rubber products	Slovenia, Serbia and Montenegro and Poland
25.2 Manufacture of plastic products	Italy, Greece and Serbia and Montenegro
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	397	335	266	21
25.2 Manufacture of plastic products	349	396	1,343	831
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	532	506	366	100
25.2 Manufacture of plastic products	640	951	1,476	1,551
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	396	334	253	82
25.2 Manufacture of plastic products	6,632	6,155	6,309	8,420
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	832	668	433	143
25.2 Manufacture of plastic products	14,478	11,723	11,432	12,763
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
25.1 Manufacture of rubber products	Serbia and Montenegro, Netherlands and Bulgaria
25.2 Manufacture of plastic products	Serbia and Montenegro, Greece and Bulgaria
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	79.0	77.4	43.1	28.9
25.2 Manufacture of plastic products	109.0	127.9	74.3	63.7
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	1,129.8	1,015.2	1,010.6	2,205.3
25.2 Manufacture of plastic products	244.1	322.5	221.6	177.7
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	184	177	175	84
25.2 Manufacture of plastic products	1,713	1,693	4,537	4,253
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	104	109	90	24
25.2 Manufacture of plastic products	604	722	1,200	1,166
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	0.0	0.0	0.0	0.0
25.2 Manufacture of plastic products	0.4	0.4	1.1	1.0
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	0.1	0.1	0.0	0.0
25.2 Manufacture of plastic products	0.3	0.4	0.6	0.6
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	48	52	55	53
25.2 Manufacture of plastic products	184	194	221	254
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	476	258	247	250
25.2 Manufacture of plastic products	2,217	5,930	5,466	5,331
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	0.1	0.1	0.1	0.1
25.2 Manufacture of plastic products	0.5	1.2	1.1	1.2
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
25.1 Manufacture of rubber products	S	153	47	144	51	142	54	77	52
	M	31	1	34	1	33	1	7	1
	B	-	-	-	-	-	-	-	-
25.2 Manufacture of plastic products	S	1,438	181	1,251	185	1,473	208	1,367	241
	M	275	3	568	8	699	8	871	7
	B	-	-	-126	1	2,365	5	2,014	6
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	3,310	335	2,252	1,203
25.2 Manufacture of plastic products	43,980	85,268	87,813	59,018
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	88,493	85,171	86,293	89,668
25.2 Manufacture of plastic products	1,047,052	1,779,622	4,308,198	4,407,147
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	-	-	-	-
25.2 Manufacture of plastic products	306	698	382	670
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
25.1 Manufacture of rubber products	MOTOCENTAR	18,990	15	Private
	AVTO GUMA	9,642	50	Private
	TDA TREJD	6,818	18	Private
25.2 Manufacture of plastic products	OHIS-PROIZVODSTVO	1,914,967	10	Private
	KONTI HIDROPLAST	334,717	46	Private
	OHIM-GES	334,506	271	Private
	POLIPLAST	122,129	43	Private
	FELIKS	86,529	45	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	217.7	420.4	363.4	95.6
25.2 Manufacture of plastic products	272.4	121.8	219.6	218.8
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	72	78	70	68
25.2 Manufacture of plastic products	513	913	1,097	995
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
25.1 Manufacture of rubber products	80	69	85	60
25.2 Manufacture of plastic products	1,110	971	3,336	3,087
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),.."

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports."

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use,.."

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise,.."

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered,.."

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees,.."

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

Tires i.e. pneumatics intended to use for road vehicles must satisfy the regulations determined with:

- Homologation Order UN ECE R54
- Order on Mandatory Homologation of tyres of Commercial Vehicles and their Trailers, except for Passenger Vehicles (Official Gazette of the SFRY No. 11/85) which was renewed and adopted by the Homologation Order for compulsory A-Test of vehicles on wheels, equipment and parts which can be built in and/or used in vehicles on wheels ("Official Gazette of RM" No. 89/2000, 95/2001, 21/2002, 45/2002, 35/2004)

The pneumatics (tyres) for tractors and their trailers are regulated by Commission Regulation (EC) No 106/2000 of 18 January 2000, and repaired tyres for motor vehicles and their trailers from vehicle categories M, N, O must meet the requirements of EC Guidelines No. 108 and 109 in the previously stated Guidelines.

C. Mechanical and electrical engineering and consumer electronics

Mechanical and electrical engineering and consumer electronics include:

- 28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment
- 29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.
- 31 Manufacture of electrical machinery and apparatus n.e.c.

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	t	47,840	44,475	50,267	61,478
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	t	12,119	12,608	13,736	16,536
31 Manufacture of electrical machinery and apparatus n.e.c.	t	46,139	41,178	41,156	44,346
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	t	53.8	52.6	55.2	41.5
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	t	62.2	59.0	52.2	50.5
31 Manufacture of electrical machinery and apparatus n.e.c.	t	52.7	57.8	53.9	44.0
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	t	25,718	23,384	27,764	25,507
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	t	7,541	7,436	7,166	8,345
31 Manufacture of electrical machinery and apparatus n.e.c.	t	24,314	23,786	22,193	19,515
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	1,790,240	1,754,324	2,021,032	1,322,508
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	827,375	776,274	763,992	808,612
31 Manufacture of electrical machinery and apparatus n.e.c.	3,415,523	3,758,749	3,288,008	2,637,262
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	2,710,328	2,837,760	3,818,969	3,061,812
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	8,573,652	7,903,077	8,092,836	7,827,707
31 Manufacture of electrical machinery and apparatus n.e.c.	3,844,577	3,612,773	3,736,682	4,046,898
Source: State Statistical Office				

Forecast of domestic demand is not available.

d) National self-supply ratio (production – exports) (production + imports - exports)

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	23.5	24.6	36.0	20.2
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	0.8	1.2	0.9	0.0
31 Manufacture of electrical machinery and apparatus n.e.c.	32.3	43.4	31.2	29.1
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	4,819	5,954	5,940	5,236
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	12,959	12,080	13,843	11,983
31 Manufacture of electrical machinery and apparatus n.e.c.	2,207	1,724	2,205	2,235
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	11,848	15,084	16,702	15,429
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	79,663	71,238	77,133	69,285
31 Manufacture of electrical machinery and apparatus n.e.c.	15,170	13,046	19,087	21,853
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	16,294	13,269	20,506	17,452
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	20,863	15,724	18,818	20,081
31 Manufacture of electrical machinery and apparatus n.e.c.	10,721	8,444	8,320	9,290
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	24,066	20,405	23,465	24,517
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	61,970	56,921	54,554	58,522
31 Manufacture of electrical machinery and apparatus n.e.c.	28,360	21,154	23,283	25,148
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	Greece, Slovenia and Serbia and Montenegro
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	Germany, Italy and Slovenia
31 Manufacture of electrical machinery and apparatus n.e.c.	Serbia and Montenegro, Germany and Slovenia
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	5,913	6,664	4,896	3,521
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	686	991	1,379	1,531
31 Manufacture of electrical machinery and apparatus n.e.c.	8,636	9,371	9,128	9,020
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	6,284	7,235	5,075	3,278
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	2,591	2,953	3,810	3,476
31 Manufacture of electrical machinery and apparatus n.e.c.	14,988	17,751	14,100	13,344
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	21,464	17,758	12,296	16,106
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	8,798	5,239	5,234	6,787
31 Manufacture of electrical machinery and apparatus n.e.c.	13,428	14,053	13,077	10,991
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	16,638	12,588	9,307	9,039
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	15,456	10,625	10,663	11,053
31 Manufacture of electrical machinery and apparatus n.e.c.	31,645	29,624	26,367	18,762
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	Serbia and Montenegro, Greece and Germany
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	Serbia and Montenegro, Croatia and Albania
31 Manufacture of electrical machinery and apparatus n.e.c.	Germany, Serbia and Montenegro and Croatia
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	77.7	68.8	43.4	57.1
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	132.5	106.6	115.5	110.1
31 Manufacture of electrical machinery and apparatus n.e.c.	82.9	76.7	75.1	74.7
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	121.8	123.2	121.2	185.2
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	1,039.0	1,006.8	1,051.4	969.0
31 Manufacture of electrical machinery and apparatus n.e.c.	77.3	55.4	78.6	109.0
Source: State Statistical Office				

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	5,606	5,181	6,345	6,462
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	1,613	1,314	1,351	1,455
31 Manufacture of electrical machinery and apparatus n.e.c.	7,345	6,601	4,466	3,276
Source: State Statistical Office				

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	1,920	1,950	2,489	2,742
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	570	459	466	438
31 Manufacture of electrical machinery and apparatus n.e.c.	1,590	1,424	947	1,102

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	3.7	3.8	4.8	4.6
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	1.1	1.0	1.0	1.0
31 Manufacture of electrical machinery and apparatus n.e.c.	4.8	4.8	3.4	2.3

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	3.6	3.8	5.2	5.2
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	1.1	0.9	1.0	0.8
31 Manufacture of electrical machinery and apparatus n.e.c.	3.0	2.8	2.0	2.1

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises

NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	806	876	1,044	1,058
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	126	132	147	149
31 Manufacture of electrical machinery and apparatus n.e.c.	240	244	251	242

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees

NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery	8,083	9,413	10,198	9,536
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	2,135	2,139	1,965	1,326
31 Manufacture of electrical machinery and apparatus n.e.c.	6,935	4,909	3,756	3,007

Source: State Statistical Office

Table: Number of Employees / Total Number of Employees in Industry
In percent

NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery	5.0	6.1	6.9	7.2
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	1.3	1.4	1.3	1.0
31 Manufacture of electrical machinery and apparatus n.e.c.	4.3	3.2	2.6	2.3

Source: State Statistical Office

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
28 (excluding 28.2 and 28.3)	S	1,878	785	1,944	846	2,703	1,010	2,803	1,025
Manufacture of fabricated metal products, except machinery and equipment	M	2,360	19	2,419	27	1,894	23	2,270	18
	B	1,368	2	818	3	1,748	11	1,388	15
29 (excluding 29.3 and 29.6)	S	696	118	594	125	664	140	599	144
Manufacture of machinery and equipment n.e.c.	M	844	7	653	6	550	3	856	5
	B	74	1	68	1	138	4	-	-
31 Manufacture of electrical machinery and apparatus n.e.c.	S	877	229	779	232	959	233	859	225
	M	683	8	804	10	1,024	13	758	9
	B	5,785	3	5,017	2	2,484	5	1,660	8

Source: State Statistical Office
S-Small M-Medium B-Big

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	264,581	324,268	100,748	103,323
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	22,834	25,705	59,667	78,734
31 Manufacture of electrical machinery and apparatus n.e.c.	153,747	39,131	44,941	64,912

Source: State Statistical Office

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	4,082,052	4,456,811	3,946,515	3,495,466
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	986,190	990,509	874,884	566,796
31 Manufacture of electrical machinery and apparatus n.e.c.	2,996,730	2,890,448	2,968,979	2,707,036

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	689	405	25	562
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	110	-	85	-
31 Manufacture of electrical machinery and apparatus n.e.c.	331	2,816	682	333

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	ALUMINA	741,687	748	Private
	FAKOM-INŽENERING	693,169	313	Private
	EMO TRANSFORMATORI	264,699	255	Private
	TAJMISTE	262,065	204	Private
	METALEC	187,117	207	Private
	ISKRA INŽENERING	83,280**	541**	Private
	KEN	94,049	242	Private
	EMO RASKLOPNI APARATI	94,188	113	Private
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	FOD – ELEKTROSTOPANSTVO NA	309,443	240	Public
	LEOV-KOMPANI	279,109	110	Private
	METALEC BITOLA	157,338	153	Private
	FIORD TEHNOLOGIS	71,036	68	Private
	MZT PUMPI AD*	56,290	84	Private
	MAKLIFT*	44,372	46	Private
31 Manufacture of electrical machinery and apparatus n.e.c.	FABRIKA ZA KABLI NEGOTINO	1,224,971	733	Private
	EMO OHRID	350,465	120	Private
	RADE KONCAR-KONTAKTORI I RELEI	259,606	280	Private
	HI-TECH KORPORACIJA	172,894	73	Private
	ELEKTRO SOFT	92,629	23	Private
	SAP	87,829	140	Private
	FRIGO TEHNIKA	61,184	23	Private
	RADE KONCAR ELEKTRICNI	35,977	99	Private
	MIKRON	56,234**	340	Private
	EURO MEHANIKA*	18,316	46	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	237.5	207.1	244.1	287.6
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	267.1	214.7	237.1	330.3
31 Manufacture of electrical machinery and apparatus n.e.c.	229.2	290.1	252.1	366.5
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	1,647	1,697	1,933	1,930
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	540	476	484	337
31 Manufacture of electrical machinery and apparatus n.e.c.	1,423	1,230	945	774
Source: State Statistical Office				

Table: Intermediate Consumption
In million MKD

NACE	2000	2001	2002	2003
28 (excluding 28.2 and 28.3) Manufacture of fabricated metal products, except machinery and equipment	3,686	3,231	3,856	3,719
29 (excluding 29.3 and 29.6) Manufacture of machinery and equipment n.e.c.	1,043	855	885	1,017
31 Manufacture of electrical machinery and apparatus n.e.c.	5,755	5,177	3,520	2,174

Source: State Statistical Office

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),.

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as an indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Enterprises which are important for the presented NACE activity are included."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

In mechanical and electrical engineering sector rulebooks from ex-SFRY have been used, and more important are the following:

- Rulebook on technical normatives for pumps and compressors ("Official Gazette of SFRY" no. 32/97)
- Rulebook on technical normatives for mobile gas stoves for heating without chimney connection ("Official Gazette of SFRY" no. 43/80)
- Rulebook on technical normatives for ski lifts ("Official Gazette of SFRY" no. 2/85)
- Rulebook on technical normatives for passenger cable lift ("Official Gazette of SFRY" no. 29/86)
- Rulebook on technical normatives for ventilation and air conditioning systems ("Official Gazette of SFRY" no. 38/89)
- Rulebook on technical normatives for cranes ("Official Gazette of SFRY" no. 65/91)
- Rulebook on technical normatives for using electric saw in forestry ("Official Gazette of SFRY" no. 34/80)
- Rulebook on technical normatives for elevators on electric power for vertical transportation of passengers ("Official Gazette of SFRY" no. 16/86)
- Rulebook on technical normatives for electro energetic machines with declared voltage of 10KV for working under voltage of 20KV ("Official Gazette of SFRY" no. 10/79)
- Rulebook on technical normatives for electro energetic machines and equipment fire protection ("Official Gazette of SFRY" no. 74/90)

- Rulebook on technical normatives for electric installation with low voltage (“Official Gazette of SFRY” no. 53/88)
- Rulebook on technical normatives and conditions for projecting and constructing electric machines in premises dealing with explosives (“Official Gazette of SFRY” no. 65/88) and others.

5. Incentives

- a) For investment
- b) For exports
- c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation
- b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)
- b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted
- b) Timetable

See [15 I II A](#), point 9.

1. Electrical and electronic equipment

Electrical and electronic equipment include:

- 29.7 Manufacture of domestic appliances n.e.c.
- 31.2 Manufacture of electricity distribution and control apparatus
- 31.5 Manufacture of lighting equipment and electric lamps
- 31.6 Manufacture of electrical equipment n.e.c.

1. Production and Consumption

- a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	t	7,541	7,710	10,766	12,138
31.2 Manufacture of electricity distribution and control	t	2,547	2,547	2,554	2,900
31.5 Manufacture of lighting equipment and electric lamps	t	9,675	2,357	2,132	3,193
31.6 Manufacture of electrical equipment n.e.c.	t	120	120	120	120
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity
In percent

NACE	Supplementary Unit	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	t	59.1	56.6	48.2	44.5
31.2 Manufacture of electricity distribution and control	t	54.4	48.8	49.3	34.9
31.5 Manufacture of lighting equipment and electric lamps	t	8.3	33.3	25.0	8.3
31.6 Manufacture of electrical equipment n.e.c.	t	15.8	9.2	17.5	19.2

Source: State Statistical Office

b) Present production (by volume and by value)

Table: Realized Production
Volume

NACE	Supplementary Unit	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	t	4,458	4,364	5,189	5,401
31.2 Manufacture of electricity distribution and control	t	1,386	1,242	1,259	1,012
31.5 Manufacture of lighting equipment and electric lamps	t	803	785	533	265
31.6 Manufacture of electrical equipment n.e.c.	t	19	11	21	23

Source: State Statistical Office

Table: Realized Production
In thousands of MKD

NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	414,495	399,821	483,047	488,954
31.2 Manufacture of electricity distribution and control apparatus	581,805	642,505	517,792	433,309
31.5 Manufacture of lighting equipment and electric lamps	791,116	886,239	594,790	329,682
31.6 Manufacture of electrical equipment n.e.c.	24,931	19,105	29,674	32,886

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand
In thousands of MKD

NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	1,437,977	1,323,278	1,676,682	1,683,792
31.2 Manufacture of electricity distribution and control apparatus	567,114	689,920	667,504	864,053
31.5 Manufacture of lighting equipment and electric lamps	988,709	1,074,886	767,378	494,440
31.6 Manufacture of electrical equipment n.e.c.	436,747	453,511	729,074	650,914

Source: State Statistical Office

Forecast of domestic demand is not available.

d) National self-supply ratio (production – exports) (production + imports - exports)

Table: National Self-Supply Ratio
In percent

NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	7.0	10.3	11.8	6.8
31.2 Manufacture of electricity distribution and control apparatus	13.9	24.3	8.8	15.9
31.5 Manufacture of lighting equipment and electric lamps	73.3	77.9	67.1	47.6
31.6 Manufacture of electrical equipment n.e.c.	-18.3	-11.4	-6.7	-5.0

Source: State Statistical Office

2. Trade**a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin**

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	1,379	1,425	1,772	1,847
31.2 Manufacture of electricity distribution and control apparatus	184	194	213	284
31.5 Manufacture of lighting equipment and electric lamps	254	222	281	248
31.6 Manufacture of electrical equipment n.e.c.	557	768	1,037	1,052
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	3,702	4,153	4,672	5,616
31.2 Manufacture of electricity distribution and control apparatus	3,310	3,601	4,090	5,898
31.5 Manufacture of lighting equipment and electric lamps	1,943	1,753	2,174	2,154
31.6 Manufacture of electrical equipment n.e.c.	3,659	3,631	7,496	6,803
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	8,825	6,962	8,817	9,512
31.2 Manufacture of electricity distribution and control apparatus	476	542	672	610
31.5 Manufacture of lighting equipment and electric lamps	764	608	771	1,089
31.6 Manufacture of electrical equipment n.e.c.	3,644	4,292	3,356	3,521
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	18,447	15,390	19,569	20,000
31.2 Manufacture of electricity distribution and control apparatus	4,854	5,048	5,967	5,959
31.5 Manufacture of lighting equipment and electric lamps	2,418	2,155	1,967	2,073
31.6 Manufacture of electrical equipment n.e.c.	4,887	4,771	5,317	4,385
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
29.7 Manufacture of domestic appliances n.e.c.	Slovenia, Serbia and Montenegro and Italy
31.2 Manufacture of electricity distribution and control apparatus	Germany, Slovenia and Croatia
31.5 Manufacture of lighting equipment and electric lamps	Greece, Italy and Bulgaria
31.6 Manufacture of electrical equipment n.e.c.	Slovenia, Germany and Italy
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	251	348	537	1,036
31.2 Manufacture of electricity distribution and control apparatus	199	131	68	64
31.5 Manufacture of lighting equipment and electric lamps	8	10	321	611
31.6 Manufacture of electrical equipment n.e.c.	108	124	175	17
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	526	735	625	1,361
31.2 Manufacture of electricity distribution and control apparatus	946	417	247	369
31.5 Manufacture of lighting equipment and electric lamps	43	56	697	1,250
31.6 Manufacture of electrical equipment n.e.c.	57	73	39	25
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	5,660	4,128	4,234	4,316
31.2 Manufacture of electricity distribution and control apparatus	703	542	772	416
31.5 Manufacture of lighting equipment and electric lamps	190	188	200	77
31.6 Manufacture of electrical equipment n.e.c.	3,230	3,917	3,596	3,341
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	6,341	5,444	5,374	5,763
31.2 Manufacture of electricity distribution and control apparatus	7,712	7,684	7,813	4,614
31.5 Manufacture of lighting equipment and electric lamps	1,071	786	638	289
31.6 Manufacture of electrical equipment n.e.c.	1,678	1,088	1,282	1,053
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
29.7 Manufacture of domestic appliances n.e.c.	Serbia and Montenegro, Albania and Croatia
31.2 Manufacture of electricity distribution and control apparatus	Serbia and Montenegro, United Arab Emirates and Albania
31.5 Manufacture of lighting equipment and electric lamps	Greece, Serbia and Montenegro and Bosnia and Herzegovina
31.6 Manufacture of electrical equipment n.e.c.	Serbia and Montenegro, Bulgaria and Croatia
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	100.6	94.1	75.7	89.3
31.2 Manufacture of electricity distribution and control apparatus	90.3	76.7	95.0	70.6
31.5 Manufacture of lighting equipment and electric lamps	8.5	5.8	13.7	28.6
31.6 Manufacture of electrical equipment n.e.c.	422.7	370.3	271.7	200.9
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	324.5	297.7	306.1	321.1
31.2 Manufacture of electricity distribution and control apparatus	85.2	82.0	118.4	167.8
31.5 Manufacture of lighting equipment and electric lamps	33.4	26.8	42.5	78.6
31.6 Manufacture of electrical equipment n.e.c.	2,081.6	2,677.9	2,635.0	2,082.6
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	613	504	550	606
31.2 Manufacture of electricity distribution and control apparatus	508	586	715	478
31.5 Manufacture of lighting equipment and electric lamps	25	40	119	132
31.6 Manufacture of electrical equipment n.e.c.	558	560	679	613
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	187	135	159	142
31.2 Manufacture of electricity distribution and control apparatus	157	203	254	202
31.5 Manufacture of lighting equipment and electric lamps	2	6	39	41
31.6 Manufacture of electrical equipment n.e.c.	184	214	203	266
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	0.1	0.1	0.1	0.1
31.2 Manufacture of electricity distribution and control apparatus	0.1	0.1	0.2	0.1
31.5 Manufacture of lighting equipment and electric lamps	0.0	0.0	0.0	0.0
31.6 Manufacture of electrical equipment n.e.c.	0.1	0.1	0.2	0.1
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	0.1	0.1	0.1	0.1
31.2 Manufacture of electricity distribution and control apparatus	0.1	0.1	0.1	0.1
31.5 Manufacture of lighting equipment and electric lamps	0.0	0.0	0.0	0.0
31.6 Manufacture of electrical equipment n.e.c.	0.1	0.1	0.1	0.1
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	31	33	35	32
31.2 Manufacture of electricity distribution and control apparatus	22	22	24	23
31.5 Manufacture of lighting equipment and electric lamps	8	18	21	16
31.6 Manufacture of electrical equipment n.e.c.	79	75	81	83
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	644	621	496	452
31.2 Manufacture of electricity distribution and control apparatus	515	509	575	554
31.5 Manufacture of lighting equipment and electric lamps	18	63	99	92
31.6 Manufacture of electrical equipment n.e.c.	779	635	765	762
Source: State Statistical Office				

**Table: Number of Employees / Total Number of Employees in Industry
In percent**

NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	0.1	0.1	0.1	0.1
31.2 Manufacture of electricity distribution and control apparatus	0.1	0.1	0.1	0.1
31.5 Manufacture of lighting equipment and electric lamps	0.0	0.0	0.0	0.0
31.6 Manufacture of electrical equipment n.e.c.	0.2	0.1	0.2	0.2

Source: State Statistical Office

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

**Table: Structure of Enterprises
In thousands of MKD**

NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
29.7 Manufacture of domestic appliances n.e.c.	S	214	28	175	31	192	33	170	30
	M	399	3	329	2	358	2	436	2
	B	-	-	-	-	-	-	-	-
31.2 Manufacture of electricity distribution and control apparatus	S	123	19	175	19	230	19	43	17
	M	385	3	412	3	484	5	359	3
	B	-	-	-	-	-	-	75	3
31.5 Manufacture of lighting equipment and electric lamps	S	25	8	40	18	119	21	132	16
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
31.6 Manufacture of electrical equipment n.e.c.	S	458	77	303	71	294	74	378	77
	M	100	2	256	4	342	5	226	3
	B	-	-	-	-	43	2	9	3

Source: State Statistical Office

S-Small M-Medium B-Big

**Table: Investments in Fixed Assets
In thousands of MKD**

NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	9,969	10,073	53,429	32,822
31.2 Manufacture of electricity distribution and control apparatus	12,246	12,145	17,160	21,535
31.5 Manufacture of lighting equipment and electric lamps	-	-	-	-
31.6 Manufacture of electrical equipment n.e.c.	6,968	7,476	2,003	2,182

Source: State Statistical Office

**Table: Value of Active Fixed Assets
In thousands of MKD**

NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	273,252	310,029	246,547	303,525
31.2 Manufacture of electricity distribution and control apparatus	120,605	136,796	150,178	143,128
31.5 Manufacture of lighting equipment and electric lamps	48,520	60,404	137,419	110,389
31.6 Manufacture of electrical equipment n.e.c.	407,160	402,529	418,964	414,783

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	110	-	85	-
31.2 Manufacture of electricity distribution and control apparatus	-	-	-	-
31.5 Manufacture of lighting equipment and electric lamps	-	1,856	299	307
31.6 Manufacture of electrical equipment n.e.c.	331	-	-	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross output in thousands of MKD	Number of Employed	Type of ownership
29.7 Manufacture of domestic appliances n.e.c.	LEOV-KOMPANI	279,109	110	Private
	METALEC BITOLA	157,338	153	Private
	DINAMO-HIT	43,213	36	Private
	KO-PER	41,075	55	Private
	EVROASIJA TEHNIKA	15,561	11	Private
31.2 Manufacture of electricity distribution and control apparatus	RADE KONCAR-KONTAKTORI I RELEI	259,606	280	Private
	ELEKTROELEMENT	63,780	51	Private
	ADC	54,646	16	Private
	RADE KONCAR - ELEKTRICNI POSTROJKI	35,977	99	Private
	EMO INSTITUT	19,198	79	Private
31.5 Manufacture of lighting equipment and electric lamps	P I D	87,103	40	Private
	EL KOM	10,188	15	Private
31.6 Manufacture of electrical equipment n.e.c.	HI-TECH KORPORACIJA	172,894	73	Private
	ELEKTRO SOFT	92,629	23	Private
	HERMES PLUS	55,039	18	Private
	EMO MNS	41,987	83	Private
	SMS EKSGEJNG	33,779	30	Private
	PRO LUKS	10,950	142	Private
	EMO VLECENI PROFILI	2,873	60	Private
	EMO TRP	596	54	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	289.7	217.0	319.9	313.8
31.2 Manufacture of electricity distribution and control apparatus	305.2	398.2	441.4	365.0
31.5 Manufacture of lighting equipment and electric lamps	112.5	91.1	395.4	449.9
31.6 Manufacture of electrical equipment n.e.c.	236.1	337.1	265.1	349.7
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	98	99	104	94
31.2 Manufacture of electricity distribution and control apparatus	120	134	146	154
31.5 Manufacture of lighting equipment and electric lamps	3	13	25	20
31.6 Manufacture of electrical equipment n.e.c.	130	123	161	138
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
29.7 Manufacture of domestic appliances n.e.c.	427	369	391	464
31.2 Manufacture of electricity distribution and control apparatus	351	384	461	275
31.5 Manufacture of lighting equipment and electric lamps	23	34	80	90
31.6 Manufacture of electrical equipment n.e.c.	374	346	476	346
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

5. Incentives**a) For investment****b) For exports****c) Other**

See [15 I II A](#), point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation**
b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas**

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)**
b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted**
b) Timetable

See [15 I II A](#), point 9.

2. Mechanical engineering:

- a) Manufacture of fabricated metal products, except machinery and equipment**
b) Manufacture of machinery and equipment not elsewhere classified
c) Manufacture of electrical machinery and apparatus not elsewhere classified

Mechanical engineering includes:

- 28.1 Manufacture of structural metal products
- 28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy
- 28.5 Treatment and coating of metals; general mechanical engineering
- 28.6 Manufacture of cutlery, tools and general hardware
- 28.7 Manufacture of other fabricated metal products
- 29.2 Manufacture of other general purpose machinery
- 29.4 Manufacture of machinetools
- 29.5 Manufacture of other special purpose machinery
- 31.3 Manufacture of insulated wire and cable
- 31.4 Manufacture of accumulators, primary cells and primary batteries

1. Production and Consumption

- a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
28.1 Manufacture of structural metal products	t	27,876	29,466	35,384	45,312
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	t	1,125	1,125	1,125	1,125
28.5 Treatment and coating of metals; general mechanical engineering		-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	t	810	697	569	569
28.7 Manufacture of other fabricated metal products	t	18,029	13,187	13,189	14,472

29.2 Manufacture of other general purpose machinery	t	229	193	258	192
29.4 Manufacture of machinetools		-	-	-	-
29.5 Manufacture of other special purpose machinery	t	4,350	4,706	2,711	4,206
31.3 Manufacture of insulated wire and cable	t	20,313	22,651	22,774	22,994
31.4 Manufacture of accumulators, primary cells and primary batteries	t	10,290	10,290	10,290	10,290

Source: State Statistical Office

Table: Utilization Rate of the Installed Production Capacity
In percent

NACE	Supplementary Unit	2000	2001	2002	2003
28.1 Manufacture of structural metal products	t	60.6	62.9	63.2	43.8
28.4 Forging, pressing, stamping and roll forming of metal; powder	t	36.1	10.4	5.8	8.3
28.5 Treatment and coating of metals; general mechanical engineering		-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	t	22.2	25.5	30.6	32.2
28.7 Manufacture of other fabricated metal products	t	45.7	34.6	39.1	37.0
29.2 Manufacture of other general purpose machinery	t	76.9	77.7	77.0	77.1
29.4 Manufacture of machinetools		-	-	-	-
29.5 Manufacture of other special purpose machinery	t	66.8	62.1	65.6	66.5
31.3 Manufacture of insulated wire and cable	t	82.0	84.3	77.5	65.6
31.4 Manufacture of accumulators, primary cells and primary batteries	t				

Source: State Statistical Office

b) Present production (by volume and by value)

Table: Realized Production
Volume

NACE	Supplementary Unit	2000	2001	2002	2003
28.1 Manufacture of structural metal products	t	16,893	18,529	22,367	19,869
28.4 Forging, pressing, stamping and roll forming of metal; powder	t	406	117	65	93
28.5 Treatment and coating of metals; general mechanical engineering		-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	t	180	178	174	183
28.7 Manufacture of other fabricated metal products	t	8,239	4,560	5,158	5,362
29.2 Manufacture of other general purpose machinery	t	176	150	199	148
29.4 Manufacture of machinetools		-	-	-	-
29.5 Manufacture of other special purpose machinery	t	2,907	2,922	1,778	2,796
31.3 Manufacture of insulated wire and cable	t	16,657	19,095	17,650	15,084
31.4 Manufacture of accumulators, primary cells and primary batteries	t	3,047	568	870	750

Source: State Statistical Office

Table: Realized Production
In thousands of MKD

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	1,153,663	1,190,043	1,588,017	830,830
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	7,610	10,150	8,594	5,389
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	98,131	273,133	181,094	220,558
28.7 Manufacture of other fabricated metal products	530,836	280,998	243,327	265,731
29.2 Manufacture of other general purpose machinery	79,265	66,978	57,745	97,205
29.4 Manufacture of machinetools	72,316	66,942	68,338	20,585
29.5 Manufacture of other special purpose machinery	228,906	214,931	128,704	172,139
31.3 Manufacture of insulated wire and cable	1,383,176	1,759,013	1,700,191	1,456,818
31.4 Manufacture of accumulators, primary cells and primary batteries	146,338	49,802	93,239	65,760

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	1,008,998	1,138,859	1,787,483	979,211
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	7,610	10,150	8,594	5,389
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	523,773	639,702	661,053	800,618
28.7 Manufacture of other fabricated metal products	1,169,946	1,049,050	1,361,839	1,276,595
29.2 Manufacture of other general purpose machinery	2,043,122	1,915,911	1,827,617	2,019,893
29.4 Manufacture of machinetools	444,167	341,762	532,618	541,188
29.5 Manufacture of other special purpose machinery	3,399,437	3,367,607	2,885,636	2,257,292
31.3 Manufacture of insulated wire and cable	979,437	895,564	923,976	1,060,807
31.4 Manufacture of accumulators, primary cells and primary batteries	182,522	71,376	125,670	94,687

Source: State Statistical Office

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	80.4	66.0	78.2	63.6
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	100.0	100.0	100.0	100.0
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	4.2	30.6	18.2	22.5
28.7 Manufacture of other fabricated metal products	-17.5	-24.8	-11.2	-14.9
29.2 Manufacture of other general purpose machinery	0.5	-1.1	-1.5	-1.1
29.4 Manufacture of machinetools	-1.7	9.6	1.0	-2.4
29.5 Manufacture of other special purpose machinery	1.9	1.4	-0.9	-0.1
31.3 Manufacture of insulated wire and cable	18.4	51.3	45.3	61.6
31.4 Manufacture of accumulators, primary cells and primary batteries	79.6	69.8	73.9	67.9

Source: State Statistical Office

2. Trade
**a) Imports (including temporary imports) by volume and by value from the rest of the world
and from the EU, stating the main countries of origin**

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	1,033	1,594	1,888	1,405
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-	-	-	-
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	380	471	616	690
28.7 Manufacture of other fabricated metal products	3,406	3,889	3,435	3,140
29.2 Manufacture of other general purpose machinery	2,817	2,431	2,656	3,106
29.4 Manufacture of machinetools	635	381	809	863
29.5 Manufacture of other special purpose machinery	6,861	6,897	7,467	5,152
31.3 Manufacture of insulated wire and cable	909	247	388	331
31.4 Manufacture of accumulators, primary cells and primary batteries	36	12	38	37

Source: State Statistical Office

Table: Imports from the EU
In thousands of Euro

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	1,271	2,977	3,198	2,607
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-	-	-	-
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	2,873	3,209	4,383	4,953
28.7 Manufacture of other fabricated metal products	7,704	8,898	9,121	7,868
29.2 Manufacture of other general purpose machinery	20,778	19,117	19,751	21,016
29.4 Manufacture of machinetools	4,185	3,022	6,331	6,811
29.5 Manufacture of other special purpose machinery	38,685	34,526	34,309	25,640
31.3 Manufacture of insulated wire and cable	3,308	1,294	2,542	1,516
31.4 Manufacture of accumulators, primary cells and primary batteries	176	93	216	171

Source: State Statistical Office

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	3,201	3,208	6,141	3,554
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-	-	-	-
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	1,543	1,488	2,518	2,029
28.7 Manufacture of other fabricated metal products	11,551	8,573	11,847	11,870
29.2 Manufacture of other general purpose machinery	3,265	2,428	2,742	3,628
29.4 Manufacture of machinetools	1,562	1,212	1,352	1,186
29.5 Manufacture of other special purpose machinery	5,559	3,918	4,557	4,044
31.3 Manufacture of insulated wire and cable	4,408	2,427	2,759	2,826
31.4 Manufacture of accumulators, primary cells and primary batteries	180	124	141	206

Source: State Statistical Office

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	3,348	3,545	3,242	3,236
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-	-	-	-
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	5,422	4,136	4,485	5,177
28.7 Manufacture of other fabricated metal products	15,296	12,724	15,738	16,105
29.2 Manufacture of other general purpose machinery	12,734	12,687	10,678	12,343
29.4 Manufacture of machinetools	3,307	2,056	2,327	2,227
29.5 Manufacture of other special purpose machinery	17,502	19,852	13,464	11,244
31.3 Manufacture of insulated wire and cable	10,250	6,268	5,751	5,125
31.4 Manufacture of accumulators, primary cells and primary batteries	437	261	321	325

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
28.1 Manufacture of structural metal products	Bulgaria, Greece and Italy
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-
28.5 Treatment and coating of metals; general mechanical engineering	-
28.6 Manufacture of cutlery, tools and general hardware	Slovenia, Germany and Serbia and Montenegro
28.7 Manufacture of other fabricated metal products	Greece, Serbia and Montenegro and Turkey
29.2 Manufacture of other general purpose machinery	Germany, Italy and Greece
29.4 Manufacture of machinetools	Italy, Germany and Greece
29.5 Manufacture of other special purpose machinery	Germany, Italy and Austria
31.3 Manufacture of insulated wire and cable	Serbia and Montenegro, Turkey and Germany
31.4 Manufacture of accumulators, primary cells and primary batteries	Croatia, Japan and China
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	3,806	5,341	3,714	1,133
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-	-	-	-
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	11	8	4	11
28.7 Manufacture of other fabricated metal products	2,096	1,314	1,178	2,377
29.2 Manufacture of other general purpose machinery	36	64	489	145
29.4 Manufacture of machinetools	279	58	49	57
29.5 Manufacture of other special purpose machinery	92	446	165	232
31.3 Manufacture of insulated wire and cable	7,678	8,299	8,229	7,976
31.4 Manufacture of accumulators, primary cells and primary batteries	19	-	0	1
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	3,154	4,727	2,335	903
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-	-	-	-
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	106	36	53	39
28.7 Manufacture of other fabricated metal products	3,023	2,472	2,687	2,335
29.2 Manufacture of other general purpose machinery	290	332	715	661
29.4 Manufacture of machinetools	589	121	325	321
29.5 Manufacture of other special purpose machinery	547	1,302	1,640	578
31.3 Manufacture of insulated wire and cable	12,605	14,851	12,329	10,989
31.4 Manufacture of accumulators, primary cells and primary batteries	16	-	0	21
Source: State Statistical Office				

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	4,817	4,727	3,314	3,154
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-	-	-	-
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	147	121	128	105
28.7 Manufacture of other fabricated metal products	16,500	12,909	8,855	12,846
29.2 Manufacture of other general purpose machinery	1,885	363	240	330
29.4 Manufacture of machinetools	251	132	83	67
29.5 Manufacture of other special purpose machinery	755	404	497	1,895
31.3 Manufacture of insulated wire and cable	8,109	8,340	7,458	6,132
31.4 Manufacture of accumulators, primary cells and primary batteries	0	0	18	0

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	5,452	4,213	2,820	2,609
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-	-	-	-
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	1,210	1,245	943	637
28.7 Manufacture of other fabricated metal products	9,975	7,131	5,543	5,793
29.2 Manufacture of other general purpose machinery	3,986	1,239	1,169	1,390
29.4 Manufacture of machinetools	1,154	777	1,042	366
29.5 Manufacture of other special purpose machinery	2,387	1,526	1,833	2,294
31.3 Manufacture of insulated wire and cable	17,335	16,629	13,591	10,218
31.4 Manufacture of accumulators, primary cells and primary batteries	0	0	11	3

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
28.1 Manufacture of structural metal products	Serbia and Montenegro, Greece and Germany
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-
28.5 Treatment and coating of metals; general mechanical engineering	-
28.6 Manufacture of cutlery, tools and general hardware	Serbia and Montenegro, Russian Federation and Bosnia and Herzegovina
28.7 Manufacture of other fabricated metal products	Serbia and Montenegro, Germany and Italy
29.2 Manufacture of other general purpose machinery	Iraq, Serbia and Montenegro and Greece
29.4 Manufacture of machinetools	Croatia, Serbia and Montenegro and Slovenia
29.5 Manufacture of other special purpose machinery	Serbia and Montenegro, Greece and Germany
31.3 Manufacture of insulated wire and cable	Germany, Croatia and Serbia and Montenegro
31.4 Manufacture of accumulators, primary cells and primary batteries	Greece, Italy and Serbia and Montenegro

Source: State Statistical Office

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	45.3	45.7	19.8	25.9
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-	-	-	-
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	81.5	28.6	33.6	18.8
28.7 Manufacture of other fabricated metal products	148.6	208.0	206.4	187.7
29.2 Manufacture of other general purpose machinery	327.8	143.0	199.0	129.4
29.4 Manufacture of machinetools	146.4	81.7	122.0	204.5
29.5 Manufacture of other special purpose machinery	77.8	80.2	164.5	102.3
31.3 Manufacture of insulated wire and cable	131.4	109.0	93.0	89.2
31.4 Manufacture of accumulators, primary cells and primary batteries	0.7	0.0	0.7	2.3

Source: State Statistical Office

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	24.3	33.3	24.7	43.1
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	-	-	-	-
28.5 Treatment and coating of metals; general mechanical engineering	-	-	-	-
28.6 Manufacture of cutlery, tools and general hardware	513.2	163.8	298.6	281.5
28.7 Manufacture of other fabricated metal products	263.2	468.7	623.1	553.1
29.2 Manufacture of other general purpose machinery	2,566.6	2,892.3	3,216.2	2,103.6
29.4 Manufacture of machinetools	628.9	462.1	772.7	2,693.3
29.5 Manufacture of other special purpose machinery	1,489.4	1,545.4	2,263.9	1,313.7
31.3 Manufacture of insulated wire and cable	59.4	26.2	29.8	28.0
31.4 Manufacture of accumulators, primary cells and primary batteries	25.4	43.3	35.2	46.3

Source: State Statistical Office

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	2,647	2,096	3,158	3,337
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	374	348	370	431
28.5 Treatment and coating of metals; general mechanical engineering	552	818	618	782
28.6 Manufacture of cutlery, tools and general hardware	378	393	443	346
28.7 Manufacture of other fabricated metal products	1,656	1,526	1,756	1,565
29.2 Manufacture of other general purpose machinery	151	88	100	163
29.4 Manufacture of machinetools	87	101	102	33
29.5 Manufacture of other special purpose machinery	260	226	189	147
31.3 Manufacture of insulated wire and cable	2,080	2,141	1,703	1,225
31.4 Manufacture of accumulators, primary cells and primary batteries	193	18	107	99

Source: State Statistical Office

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	743	581	1,066	1,354
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	148	127	123	178
28.5 Treatment and coating of metals; general mechanical engineering	235	439	320	407
28.6 Manufacture of cutlery, tools and general hardware	203	243	204	156
28.7 Manufacture of other fabricated metal products	591	560	776	646
29.2 Manufacture of other general purpose machinery	65	36	44	51
29.4 Manufacture of machinetools	31	48	37	11
29.5 Manufacture of other special purpose machinery	79	88	77	45
31.3 Manufacture of insulated wire and cable	224	275	222	268
31.4 Manufacture of accumulators, primary cells and primary batteries	73	8	39	41

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	0.6	0.5	0.8	0.8
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	0.1	0.1	0.1	0.1
28.5 Treatment and coating of metals; general mechanical engineering	0.1	0.2	0.1	0.2
28.6 Manufacture of cutlery, tools and general hardware	0.1	0.1	0.1	0.1
28.7 Manufacture of other fabricated metal products	0.4	0.4	0.4	0.4
29.2 Manufacture of other general purpose machinery	0.0	0.0	0.0	0.0
29.4 Manufacture of machinetools	0.0	0.0	0.0	0.0
29.5 Manufacture of other special purpose machinery	0.1	0.1	0.0	0.0
31.3 Manufacture of insulated wire and cable	0.5	0.5	0.4	0.3
31.4 Manufacture of accumulators, primary cells and primary batteries	0.0	0.0	0.0	0.0

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	0.4	0.3	0.6	0.7
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	0.1	0.1	0.1	0.1
28.5 Treatment and coating of metals; general mechanical engineering	0.1	0.2	0.2	0.2
28.6 Manufacture of cutlery, tools and general hardware	0.1	0.1	0.1	0.1
28.7 Manufacture of other fabricated metal products	0.3	0.3	0.4	0.3
29.2 Manufacture of other general purpose machinery	0.0	0.0	0.0	0.0
29.4 Manufacture of machinetools	0.0	0.0	0.0	0.0
29.5 Manufacture of other special purpose machinery	0.0	0.0	0.0	0.0
31.3 Manufacture of insulated wire and cable	0.1	0.1	0.1	0.1
31.4 Manufacture of accumulators, primary cells and primary batteries	0.0	0.0	0.0	0.0

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	141	231	327	335
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	77	75	110	108
28.5 Treatment and coating of metals; general mechanical engineering	289	257	250	264
28.6 Manufacture of cutlery, tools and general hardware	78	83	96	96
28.7 Manufacture of other fabricated metal products	221	230	261	255
29.2 Manufacture of other general purpose machinery	32	35	39	43
29.4 Manufacture of machinetools	22	20	22	25
29.5 Manufacture of other special purpose machinery	11	12	15	14
31.3 Manufacture of insulated wire and cable	2	2	2	1
31.4 Manufacture of accumulators, primary cells and primary batteries	4	5	5	4

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	2,926	3,897	4,192	3,529
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	477	468	485	529
28.5 Treatment and coating of metals; general mechanical engineering	1,231	1,375	1,342	1,820
28.6 Manufacture of cutlery, tools and general hardware	770	994	1,272	977
28.7 Manufacture of other fabricated metal products	2,678	2,679	2,906	2,681
29.2 Manufacture of other general purpose machinery	192	209	215	172
29.4 Manufacture of machinetools	72	463	441	61
29.5 Manufacture of other special purpose machinery	762	341	314	80
31.3 Manufacture of insulated wire and cable	810	829	799	733
31.4 Manufacture of accumulators, primary cells and primary batteries	996	12	149	147

Source: State Statistical Office

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	0.6	0.8	0.9	0.8
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	0.1	0.1	0.1	0.1
28.5 Treatment and coating of metals; general mechanical engineering	0.3	0.3	0.3	0.4
28.6 Manufacture of cutlery, tools and general hardware	0.2	0.2	0.3	0.2
28.7 Manufacture of other fabricated metal products	0.5	0.6	0.6	0.6
29.2 Manufacture of other general purpose machinery	0.0	0.0	0.0	0.0
29.4 Manufacture of machinetools	0.0	0.1	0.1	0.0
29.5 Manufacture of other special purpose machinery	0.2	0.1	0.1	0.0
31.3 Manufacture of insulated wire and cable	0.2	0.2	0.2	0.2
31.4 Manufacture of accumulators, primary cells and primary batteries	0.2	0.0	0.0	0.0

Source: State Statistical Office

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
28.1 Manufacture of structural metal products	S	587	136	567	219	849	313	976	322
	M	882	4	969	10	1,329	10	1,485	7
	B	1,177	1	560	2	980	4	876	6
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	S	147	75	146	73	157	108	151	106
	M	227	2	202	2	-	-	280	2
	B	-	-	-	-	213	2	-	-
28.5 Treatment and coating of metals; general mechanical engineering	S	313	287	340	254	554	247	596	259
	M	239	2	478	3	59	2	12	2
	B	-	-	-	-	5	1	174	3
28.6 Manufacture of cutlery, tools and general hardware	S	259	75	198	79	309	91	265	92
	M	119	3	194	4	131	4	19	1
	B	-	-	-	-	3	1	62	3
28.7 Manufacture of other fabricated metal products	S	571	212	692	221	833	251	816	246
	M	894	8	576	8	375	7	474	6
	B	190	1	259	1	547	3	275	3
29.2 Manufacture of other general purpose machinery	S	151	32	88	35	100	39	163	43
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
29.4 Manufacture of machine tools	S	87	22	33	19	38	21	33	25
	M	-	-	-	-	-	-	-	-
	B	-	-	68	1	64	1	-	-
29.5 Manufacture of other special purpose machinery	S	95	8	172	10	157	13	93	13
	M	91	2	53	2	-	-	54	1
	B	74	1	-	-	32	2	-	-
31.3 Manufacture of insulated wire and cable	S	2	1	3	1	3	1	-	-
	M	-	-	-	-	-	-	-	-
	B	2,078	1	2,138	1	1,700	1	1,225	1
31.4 Manufacture of accumulators, primary cells and primary batteries	S	20	3	18	5	8	4	11	3
	M	-	-	-	-	99	1	88	1
	B	173	1	-	-	-	-	-	-
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	44,537	17,822	16,115	31,184
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	5,613	9,451	29,649	2,692
28.5 Treatment and coating of metals; general mechanical engineering	1,589	4,424	2,384	-
28.6 Manufacture of cutlery, tools and general hardware	5,122	30,233	2,111	36,126
28.7 Manufacture of other fabricated metal products	207,720	262,338	50,489	33,321
29.2 Manufacture of other general purpose machinery	-	-	-	-
29.4 Manufacture of machinetools	245	2,824	976	380
29.5 Manufacture of other special purpose machinery	4,865	6,274	2,111	3,974
31.3 Manufacture of insulated wire and cable	57,573	18,505	25,367	18,253
31.4 Manufacture of accumulators, primary cells and primary batteries	-	-	-	-

Source: State Statistical Office

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	1,332,986	1,538,762	1,343,920	948,001
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	220,148	245,377	254,486	268,812
28.5 Treatment and coating of metals; general mechanical engineering	351,409	351,151	111,011	466,164
28.6 Manufacture of cutlery, tools and general hardware	597,311	627,642	471,295	544,083
28.7 Manufacture of other fabricated metal products	1,580,198	1,693,879	1,765,803	1,268,406
29.2 Manufacture of other general purpose machinery	105,459	109,412	75,868	69,297
29.4 Manufacture of machinetools	60,168	246,030	235,427	28,467
29.5 Manufacture of other special purpose machinery	432,390	202,707	199,425	41,433
31.3 Manufacture of insulated wire and cable	629,650	560,334	516,143	492,076
31.4 Manufacture of accumulators, primary cells and primary batteries	563,454	542,341	535,365	522,084

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments
In thousands of US Dollars

NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	118	333	2	32
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	344	-	-	368
28.5 Treatment and coating of metals; general mechanical engineering	24	-	13	13
28.6 Manufacture of cutlery, tools and general hardware	-	72	-	-
28.7 Manufacture of other fabricated metal products	203	-	10	150
29.2 Manufacture of other general purpose machinery	-	-	-	-
29.4 Manufacture of machinetools	-	-	-	-
29.5 Manufacture of other special purpose machinery	-	-	-	-
31.3 Manufacture of insulated wire and cable	-	-	-	-
31.4 Manufacture of accumulators, primary cells and primary batteries	-	200	-	-

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross output in thousands of MKD	Number of Employed	Type of ownership
28.1 Manufacture of structural metal products	ALUMINA	741,687	748	Private
	FAKOM - INZINERING	693,169	313	Private
	EMO TRANSFORMATORI	264,699	255	Private
	METALEC	187,117	207	Private
	FONKO INT	130,258	42	Private
	ISKRA INZENERING	83,280**	541**	Private
	KEN	94,049	242	Private
	EMO RASKLOPNI APARATI	94,188	113	Private
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	TEAL	176,144	149	Private
	ALGRETA	103,878	81	Private
28.5 Treatment and coating of metals; general mechanical engineering	MZT HEPOS	14,015	22	Private
	MZT METALNA	39,687	93	Private
	ALZAM	39,175	172	Private
	FAMORD	4,808	131	Private
	SOSTAR	26,490	27	Private
	11 OKTOMVRI - EUROKOMPOZIT	2,870	539	Private
28.6 Manufacture of cutlery, tools and general hardware	ALATNICA P.B. - INDUSTRI	49,749	113	Private
	GEMA- PLAST- KM	39,136	18	Private
	FORT	27,455	123	Public
	SANDVIKS	25,972	28	Private
	EMO ALATNICA	4,865	143	Private
	EMO ALATNICA PMP	7,526	78	Private
	RADE KONCAR ALATNICA	18,997	101	Private
	P.B. - INDUSTRI	49,749	113	Private
28.7 Manufacture of other fabricated metal products	TAJMISTE	262,065	204	Private
	BRAKO MET.IND BRAKA	124,636	175	Public
	30 JULI	105,429	154	Private
	DIME BANJAROT	86,113	230	Private
	VIOR - ROSTFREI	66,540	182	Private
	TANE CALESKI	33,802	294	Private
	MIK	89,313**	158**	Private
	NIKOL FERT	17787**	73**	Private
	PLAM BIT	11,456	120	Private
29.2 Manufacture of other general purpose machinery	FIORD TEHNOLOGIS	71,036	68	Private
	MAKLIFT*	44,372	46	Private
	FRIGO TEHNIKA*	61,184	23	Private
	TEMA MAKPETROL*	14,946	34	Private
29.4 Manufacture of machinetools	SPIK	8,928	13	Private
	MZT FAM	63,959**	390**	Private
29.5 Manufacture of other special purpose machinery	MADJER - MV	53,723	32	Private
	TING	48,651	20	Private
	MZT OPREMA	17,427**	185**	Private
	EKSPERTS	8,144	10	Private
	MZT ENERGOMONT INVEST	14,955**	44**	Private
31.3 Manufacture of insulated wire and cable	FABRIKA ZA KABLI NEGOTINO	1,224,971	733	Private
31.4 Manufacture of accumulators, primary cells and	SAP	87,829	140	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	253,8	149,2	254,4	383,7
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	309,2	271,9	254,1	336,2
28.5 Treatment and coating of metals; general mechanical engineering	191,2	319,0	238,2	223,8
28.6 Manufacture of cutlery, tools and general hardware	263,9	244,3	160,1	160,2
28.7 Manufacture of other fabricated metal products	220,6	209,0	266,9	241,1
29.2 Manufacture of other general purpose machinery	336,6	170,7	205,7	298,6
29.4 Manufacture of machinetools	435,4	103,4	84,9	179,0
29.5 Manufacture of other special purpose machinery	103,7	258,4	245,4	560,3
31.3 Manufacture of insulated wire and cable	276,8	332,2	278,3	365,5
31.4 Manufacture of accumulators, primary cells and primary batteries	73,2	654,8	261,0	281,1
Source: State Statistical Office				

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	729	696	908	854
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	106	101	95	98
28.5 Treatment and coating of metals; general mechanical engineering	159	234	187	313
28.6 Manufacture of cutlery, tools and general hardware	195	190	224	207
28.7 Manufacture of other fabricated metal products	458	476	519	458
29.2 Manufacture of other general purpose machinery	39	40	43	43
29.4 Manufacture of machinetools	16	103	99	12
29.5 Manufacture of other special purpose machinery	221	83	77	19
31.3 Manufacture of insulated wire and cable	242	236	262	228
31.4 Manufacture of accumulators, primary cells and primary batteries	170	2	32	39
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
28.1 Manufacture of structural metal products	1,904	1,515	2,091	1,983
28.4 Forging, pressing, stamping and roll forming of metal; powder metallurgy	226	221	247	253
28.5 Treatment and coating of metals; general mechanical engineering	316	380	298	375
28.6 Manufacture of cutlery, tools and general hardware	174	150	239	190
28.7 Manufacture of other fabricated metal products	1,065	966	980	919
29.2 Manufacture of other general purpose machinery	87	52	55	112
29.4 Manufacture of machinetools	55	53	65	22
29.5 Manufacture of other special purpose machinery	181	137	112	102
31.3 Manufacture of insulated wire and cable	1,856	1,865	1,480	957
31.4 Manufacture of accumulators, primary cells and primary batteries	120	10	68	58
Source: State Statistical Office				

Notes for question 1 to 3:

- 1) c) domestic demand and 1) d) national self-supply ratio:
"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export."

2. 1) d) national self-supply ratio:
"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).
3. 2) c) exports / production ratio and import / production ratio:
"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export,."
4. 2) c) exports / production ratio:
"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),."
5. 2)c) import / production ratio:
"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.
6. 3) d) Structure of enterprises:
"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use,."
7. 3) f) Largest enterprises:
"Gross output has been used as a indicator for the production of the enterprise,."
8. 3) f) Largest enterprises:
"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".
9. 3) f) Largest enterprises:
"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."
10. 3) f) Largest enterprises:
"Enterprises with less than 10 employees were not considered,."
11. 3) h) Productivity per employee:
"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees,."

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

5. Incentives

- a) For investment
- b) For exports
- c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation
- b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)
- b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted
- b) Timetable

See [15 I II A](#), point 9.

3. Industrial motors

Industrial motors include:

- 29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines
- 31.1 Manufacture of electric motors, generators and transformers

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines		-	-	-	-
31.1 Manufacture of electric motors, generators and transformers	t	3,194	3,213	3,286	4,849
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines		-	-	-	-
31.1 Manufacture of electric motors, generators and transformers	t	75.2	64.9	56.6	49.1
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines		-	-	-	-
31.1 Manufacture of electric motors, generators and transformers	t	2,402	2,085	1,860	2,381
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	32,393	27,602	26,158	29,729
31.1 Manufacture of electric motors, generators and transformers	488,157	402,085	352,322	318,807
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft,	1,248,949	954,520	1,170,281	1,325,541

vehicle and cycle engines				
31.1 Manufacture of electric motors, generators and transformers	690,048	427,517	523,081	881,996
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	-8.1	-10.5	-6.7	-5.9
31.1 Manufacture of electric motors, generators and transformers	27.9	24.8	24.6	13.5
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	1,267	945	1,139	1,015
31.1 Manufacture of electric motors, generators and transformers	267	281	249	283
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	12,313	10,419	12,069	10,202
31.1 Manufacture of electric motors, generators and transformers	2,775	2,674	2,568	5,310
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	1,652	1,204	1,350	1,710
31.1 Manufacture of electric motors, generators and transformers	1,249	452	622	1,038
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	9,980	6,936	8,515	12,708
31.1 Manufacture of electric motors, generators and transformers	5,513	2,651	3,959	7,282
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries

29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	Germany, Serbia and Montenegro and Slovenia
31.1 Manufacture of electric motors, generators and transformers	Croatia, Greece and China
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	29	75	139	61
31.1 Manufacture of electric motors, generators and transformers	624	808	336	351
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	639	463	504	555
31.1 Manufacture of electric motors, generators and transformers	1,320	2,354	788	689
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	247	211	180	179
31.1 Manufacture of electric motors, generators and transformers	1,198	1,066	1,033	1,026
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	1,588	1,638	1,246	1,240
31.1 Manufacture of electric motors, generators and transformers	3,849	3,437	3,031	2,586
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	Serbia and Montenegro, Sweden and Bosnia and Herzegovina
31.1 Manufacture of electric motors, generators and transformers	Nigeria, Serbia and Montenegro and Greece
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	417.4	463.9	407.9	369.9
31.1 Manufacture of electric motors, generators and transformers	64.3	87.5	66.1	63.1
Source: State Statistical Office				

Table: Imports / Production Ratio
In percent

NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	4,177.0	3,830.0	4,799.9	4,725.4
31.1 Manufacture of electric motors, generators and transformers	103.1	80.7	113.0	239.8

Source: State Statistical Office

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output
In million MKD

NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	502	395	410	506
31.1 Manufacture of electric motors, generators and transformers	3,982	3,256	1,144	730

Source: State Statistical Office

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	209	153	149	189
31.1 Manufacture of electric motors, generators and transformers	950	718	190	283

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	0.1	0.1	0.1	0.1
31.1 Manufacture of electric motors, generators and transformers	0.9	0.8	0.3	0.2

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	0.1	0.1	0.1	0.1
31.1 Manufacture of electric motors, generators and transformers	0.5	0.4	0.1	0.1

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises

NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	30	32	36	35
31.1 Manufacture of electric motors, generators and transformers	125	122	118	115

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	465	505	499	561
31.1 Manufacture of electric motors, generators and transformers	3,817	2,861	1,369	719
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	0.1	0.1	0.1	0.1
31.1 Manufacture of electric motors, generators and transformers	0.8	0.6	0.3	0.2
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	S	148	28	125	30	177	34	140	33
	M	354	2	270	2	192	1	366	2
	B	-	-	-	-	41	1	-	-
31.1 Manufacture of electric motors, generators and transformers	S	249	121	240	118	305	114	294	112
	M	199	3	136	3	98	2	85	2
	B	3,534	1	2,879	1	741	2	350	1
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	7,755	6,534	3,151	41,558
31.1 Manufacture of electric motors, generators and transformers	76,960	1,005	411	22,942
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	114,921	122,331	117,616	124,074
31.1 Manufacture of electric motors, generators and transformers	1,227,341	1,188,044	1,210,909	1,024,575
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments
In thousands of US Dollars

NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	-	-	-	-
31.1 Manufacture of electric motors, generators and transformers	-	760	383	26

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises

NACE	Enterprises	Gross output in thousands of MKD	Number of Employed	Type of ownership
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	FOD	309,443	240	Public
	MZT PUMPI AD	56,290	84	Private
	TURBOINZENERING	31,467	10	Private
	TEMELPROEKT	20,034	11	Private
	NGH	16,253	12	Private
31.1 Manufacture of electric motors, generators and transformers	EMO OHRID	350,465	120	Private
	RADE KONCAR-SERVIS I POPRAVKI	84,591	67	Private
	FRIGO TEHNIKA	61,184	23	Private
	CER-REPARATURA	24,119	28	Private
	11 OKTOMVRI-EUROMEHANIKA	18,316	46	Private
	MIKRONH*	56,234**	340**	Private
	EMO	350,465	120	Private
	RADE KONCAR – ZAVARUVANJE,	107	100	Private
	RADE KONCAR - SERVIS I	84,591	67	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee
In thousands of MKD

NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	448.7	302.8	297.6	337.1
31.1 Manufacture of electric motors, generators and transformers	248.8	251.0	138.7	393.4

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees
In million MKD

NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	166	151	162	169
31.1 Manufacture of electric motors, generators and transformers	758	723	319	195

Source: State Statistical Office

Table: Intermediate Consumption
In million MKD

NACE	2000	2001	2002	2003
29.1 Manufacture of machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	293	242	262	317
31.1 Manufacture of electric motors, generators and transformers	3,032	2,538	954	447

Source: State Statistical Office

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as an indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation**a) List of measures, either planned or already adopted****b) Timetable**

See [15 I II A](#), point 9.

D. Information technology industries

Information technology industries include:

- 30 Manufacture of office machinery and computers
- 32 Manufacture of radio, television and communication equipment and apparatus
- 72.2 Software consultancy and supply

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
30 Manufacture of office machinery and computers	kg	7,456	7,132	8,400	8,400
32 Manufacture of radio, television and communication equipment and apparatus	PCE	-	4,280	4,760	4,762
72.2 Software consultancy and supply		-	-	-	-

Source: State Statistical Office

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
30 Manufacture of office machinery and computers	kg	22.8	28.6	21.1	1.7
32 Manufacture of radio, television and communication equipment and apparatus	PCE	-	35.8	74.9	33.2
72.2 Software consultancy and supply		-	-	-	-

Source: State Statistical Office

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
30 Manufacture of office machinery and computers	kg	1,700	2,040	1,776	140
32 Manufacture of radio, television and communication equipment and apparatus	PCE	-	1,533	3,564	1,581
72.2 Software consultancy and supply	-	-	-	-	-

Source: State Statistical Office

Table: Realized Production
In thousands of MKD

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	18,303	29,800	8,909	210
32 Manufacture of radio, television and communication equipment and apparatus	113,309	163,672	167,480	191,976
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand
In thousands of MKD

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	1,541,643	2,040,354	2,101,212	1,797,011
32 Manufacture of radio, television and communication equipment and apparatus	3,090,972	2,640,748	3,480,184	4,941,446
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

Forecast of domestic demand is not available.

d) National self-supply ratio (production – exports) (production + imports - exports)

Table: National Self-Supply Ratio
In percent

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	-5.3	0.0	-2.5	-3.8
32 Manufacture of radio, television and communication equipment and apparatus	-1.1	-0.6	-1.7	-2.7
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU
In tons

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	338	309	318	185
32 Manufacture of radio, television and communication equipment and apparatus	277	342	507	2,156
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

Table: Imports from the EU
In thousands of Euro

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	10,404	13,942	13,104	6,863
32 Manufacture of radio, television and communication equipment and apparatus	28,068	27,087	29,016	46,026
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	673	721	1,029	1,402
32 Manufacture of radio, television and communication equipment and apparatus	1,704	1,802	2,565	2,965
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	16,389	19,591	22,141	23,501
32 Manufacture of radio, television and communication equipment and apparatus	23,452	16,635	29,009	36,803
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	Countries
30 Manufacture of office machinery and computers	United States of America, Taiwan and United Kingdom
32 Manufacture of radio, television and communication equipment and apparatus	Sweden, Greece and United States of America
72.2 Software consultancy and supply	-

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU
In tons

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	2	2	2	4
32 Manufacture of radio, television and communication equipment and apparatus	11	25	68	35
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

Table: Exports to the EU
In thousands of Euro

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	119	139	84	205
32 Manufacture of radio, television and communication equipment and apparatus	1,009	1,899	2,635	3,654
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	27	13	33	31
32 Manufacture of radio, television and communication equipment and apparatus	132	405	113	280
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	1,523	343	931	917
32 Manufacture of radio, television and communication equipment and apparatus	1,538	1,441	1,119	1,894
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
30 Manufacture of office machinery and computers	Serbia and Montenegro, United States of America and Netherlands
32 Manufacture of radio, television and communication equipment and apparatus	Germany, Greece and Turkey
72.2 Software consultancy and supply	-

Source: State Statistical Office

c) Exports/production and imports/production ratios**Table: Exports / Production Ratio**
In percent

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	544.3	98.5	695.3	32,789.2
32 Manufacture of radio, television and communication equipment and apparatus	136.4	124.3	136.7	177.1
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

Table: Imports / Production Ratio
In percent

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	8,868.9	6,845.7	24,173.9	888,408.6
32 Manufacture of radio, television and communication equipment and apparatus	2,759.2	1,623.6	2,114.3	2,643.7
72.2 Software consultancy and supply	-	-	-	-

Source: State Statistical Office

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total****Table: Gross Output**
In million MKD

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	1,002	1,172	1,063	954
32 Manufacture of radio, television and communication equipment and apparatus	509	312	331	263
72.2 Software consultancy and supply	179	284	419	387

Source: State Statistical Office

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	293	351	229	290
32 Manufacture of radio, television and communication equipment and apparatus	149	113	140	112
72.2 Software consultancy and supply	94	127	225	198

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	0.7	0.8	0.8	0.7
32 Manufacture of radio, television and communication equipment and apparatus	0.3	0.2	0.2	0.2
72.2 Software consultancy and supply	0.0	0.1	0.1	0.1

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	0.6	0.7	0.5	0.6
32 Manufacture of radio, television and communication equipment and apparatus	0.3	0.2	0.3	0.2
72.2 Software consultancy and supply	0.0	0.1	0.1	0.1

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	99	105	89	90
32 Manufacture of radio, television and communication equipment and apparatus	101	85	80	79
72.2 Software consultancy and supply	32	50	58	63

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	465	525	433	443
32 Manufacture of radio, television and communication equipment and apparatus	421	345	470	351
72.2 Software consultancy and supply	186	261	322	353

Source: State Statistical Office

Table: Number of Employees / Total Number of Employees in Industry
In percent

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	0.3	0.3	0.3	0.3
32 Manufacture of radio, television and communication equipment and apparatus	0.3	0.2	0.3	0.3
72.2 Software consultancy and supply	0.0	0.1	0.1	0.1

Source: State Statistical Office

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active useTable: Structure of Enterprises
In thousands of MKD

NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
30 Manufacture of office machinery and computers	S	586	98	734	104	707	88	557	88
	M	415	1	437	1	-	-	397	2
	B	-	-	-	-	357	1	-	-

32 Manufacture of radio, television and communication equipment and apparatus	S	498	100	307	84	323	78	261	78
	M	11	1	5	1	8	1	-	-
	B	-	-	-	-	0	1	2	1
72.2 Software consultancy and supply	S	179	32	284	50	419	58	387	63
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-

Source: State Statistical Office
S-Small M-Medium B-Big

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	18,723	50,805	91,219	40,590
32 Manufacture of radio, television and communication equipment and apparatus	3,764	3,195	4,559	3,296
72.2 Software consultancy and supply	6,713	2,210	3,832	25,053

Source: State Statistical Office

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	198,379	254,933	330,698	368,830
32 Manufacture of radio, television and communication equipment and apparatus	251,388	185,092	193,713	106,183
72.2 Software consultancy and supply	65,691	74,612	108,350	113,615

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments
In thousands of US Dollars

NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	16	-	280	-
32 Manufacture of radio, television and communication equipment and apparatus	-	6	25	-
72.2 Software consultancy and supply	202	176	11	-

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises

NACE	Enterprises	Gross output in thousands of MKD	Number of Employed	Type of ownership
30 Manufacture of office machinery and computers	NEOKOM	349,220	33	Private
	AKCENT	156,371	16	Private
	EUROKOMPJUTER SISTEM	81,241	23	Private
	PEKSIM	47,926	29	Private
	SEMOS KOMPJUTERI	29,072	23	Private
	AMC	32,590	21	Private
32 Manufacture of radio, television and communication equipment and apparatus	VIDEO INZENERING	19,482	94	Private
	DASTO	32,010	31	Private
	SEMOS ENERGETIKA	25,999	23	Private
	EMO FLEKSIBILNI SISTEMI	1,982	13	Private
	EUROTEK	61,703**	94**	Private

72.2 Software consultancy and supply	EIN-SOFT	42,859	26	Private
	MIKROSAM	38,657	28	Private
	ON.NET	34,723	16	Private
	MANOR	34,273	18	Private
	MAKEDONSKI BIZNIS SISTEMI	31,740	21	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	630.8	669.1	529.9	654.0
32 Manufacture of radio, television and communication equipment and apparatus	354.7	328.2	298.7	320.4
72.2 Software consultancy and supply	505.2	485.2	699.2	562.3

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	158	151	142	131
32 Manufacture of radio, television and communication equipment and apparatus	95	79	86	70
72.2 Software consultancy and supply	80	126	168	173

Source: State Statistical Office

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
30 Manufacture of office machinery and computers	708	821	834	664
32 Manufacture of radio, television and communication equipment and apparatus	360	199	190	150
72.2 Software consultancy and supply	86	157	194	189

Source: State Statistical Office

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export).,,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered..."

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees..."

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#), point 9.

1. Computer and office equipment

Computer and office equipment include:

- 30.01 Manufacture of office machinery
- 30.02 Manufacture of computers and other information processing equipment

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
30.01 Manufacture of office machinery		-	-	-	-
30.02 Manufacture of computers and other information processing equipment	kg	7,456	7,132	8,400	8,400
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
30.01 Manufacture of office machinery		-	-	-	-
30.02 Manufacture of computers and other information processing equipment	kg	22.8	28.6	21.1	1.7
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
30.01 Manufacture of office machinery		-	-	-	-
30.02 Manufacture of computers and other information processing equipment	kg	1,700	2,040	1,776	140
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	-	-	-	-
30.02 Manufacture of computers and other information processing equipment	18,303	29,800	8,909	210
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	136,440	146,004	207,216	104,316
30.02 Manufacture of computers and other information processing equipment	1,405,204	1,894,350	1,893,996	1,692,695
Source: State Statistical Office				

Forecast of domestic demand is not available..

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	-1.0	-0.7	-2.7	-1.6
30.02 Manufacture of computers and other information processing equipment	-5.7	0.1	-2.5	-4.0
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	51	53	93	40
30.02 Manufacture of computers and other information processing equipment	288	256	225	145
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	1,197	963	2,310	499
30.02 Manufacture of computers and other information processing equipment	9,207	12,980	10,794	6,363
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	79	59	93	111
30.02 Manufacture of computers and other information processing equipment	595	663	936	1,291
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	1,075	1,454	1,180	1,230
30.02 Manufacture of computers and other information processing equipment	15,314	18,137	20,962	22,272
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
30.01 Manufacture of office machinery	Japan, Germany and Sweden
30.02 Manufacture of computers and other information processing equipment	United States of America, Taiwan and United Kingdom
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	0	0	1	0
30.02 Manufacture of computers and other information processing equipment	2	2	1	4
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	2	1	4	0
30.02 Manufacture of computers and other information processing equipment	117	138	80	205
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	1	1	9	2
30.02 Manufacture of computers and other information processing equipment	26	12	25	29
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	21	17	88	28
30.02 Manufacture of computers and other information processing equipment	1,502	327	843	889
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
30.01 Manufacture of office machinery	Serbia and Montenegro, Slovenia and Romania
30.02 Manufacture of computers and other information processing equipment	Serbia and Montenegro, United States of America and Netherlands
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	-	-	-	-
30.02 Manufacture of computers and other information processing equipment	536.5	95.0	632.3	31,972.1
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	-	-	-	-
30.02 Manufacture of computers and other information processing equipment	8,115.7	6,352.2	21,785.0	837,917.1
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	24	11	21	10
30.02 Manufacture of computers and other information processing equipment	977	1,160	1,042	944
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	12	7	12	6
30.02 Manufacture of computers and other information processing equipment	282	344	217	284
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	0.0	0.0	0.0	0.0
30.02 Manufacture of computers and other information processing equipment	0.2	0.3	0.3	0.2
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	0.0	0.0	0.0	0.0
30.02 Manufacture of computers and other information processing equipment	0.1	0.2	0.1	0.1
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	5	4	3	4
30.02 Manufacture of computers and other information processing equipment	94	101	86	86
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	8	10	2	3
30.02 Manufacture of computers and other information processing equipment	457	515	431	440
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	0.0	0.0	0.0	0.0
30.02 Manufacture of computers and other information processing equipment	0.1	0.1	0.1	0.1
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
30.01 Manufacture of office machinery	S	24	5	11	4	21	3	10	4
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
30.02 Manufacture of computers and other information processing equipment	S	562	93	723	100	686	85	547	84
	M	415	1	437	1	-	-	397	2
	B	-	-	-	-	357	1	-	-

Source: State Statistical Office
S-Small M-Medium B-Big

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	-	-	-	-
30.02 Manufacture of computers and other information processing equipment	18,723	50,805	91,219	40,590

Source: State Statistical Office

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	1,784	1,345	4,079	3,045
30.02 Manufacture of computers and other information processing equipment	196,596	253,588	326,619	365,786

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	-	-	-	-
30.02 Manufacture of computers and other information processing equipment	16	-	280	-

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross output in thousands of MKD	Number of Employed	Type of ownership
30.01 Manufacture of office machinery	-	-	-	-
30.02 Manufacture of computers and other information processing equipment	NEOCOM	349,220	33	Private
	AKCENT	156,371	16	Private
	EUROKOMPJUTER SISTEMS	81,241	23	Private
	PEKSIM	47,926	29	Private
	SEMOS KOMPJUTERI	29,072	23	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	1,440.3	703.9	6,035.8	1,888.2
30.02 Manufacture of computers and other information processing equipment	616.6	668.4	504.3	645.5
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	3	3	0	0
30.02 Manufacture of computers and other information processing equipment	154	148	141	130
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
30.01 Manufacture of office machinery	13	4	9	4
30.02 Manufacture of computers and other information processing equipment	695	816	825	660
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use,,"

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise,,"

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist.

Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered,,".

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees,,".

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#) , point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#) , point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#) , point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#) , point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#) , point 9.

2. Telecommunications equipment

Telecommunications equipment includes:

- 32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy		-	-	-	-
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy		-	-	-	-
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy		-	-	-	-
Source: State Statistical Office					

Table: Realized Production In thousands of MKD					
NACE	2000	2001	2002	2003	
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	9,600	20,148	4,148	9,600	
Source: State Statistical Office					

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD					
NACE	2000	2001	2002	2003	
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	2,067,953	2,017,766	2,284,609	3,973,850	
Source: State Statistical Office					

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent					
NACE	2000	2001	2002	2003	
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	-0.1	0.4	-2.3	-0.3	
Source: State Statistical Office					

2. Trade**a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin**

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	110	170	245	1,985
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	21,628	23,081	21,878	41,046
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	176	161	257	413
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	12,467	10,013	16,413	24,051
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	Sweden, Greece and France
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	0	0	45	1
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	41	4	691	37
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	88	363	98	254
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	154	209	222	312
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	Greece, Serbia and Montenegro and Hungary
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	122.5	64.2	1,343.8	222.6
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	21,562.3	9,979.0	56,321.1	41,516.9
Source: State Statistical Office				

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total a

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	180	176	220	92
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	33	73	101	39
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	0.0	0.0	0.1	0.0

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	0.0	0.0	0.1	0.0

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises

NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	27	24	25	26

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry a

Table: Number of Employees

NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	82	94	202	184

Source: State Statistical Office

Table: Number of Employees / Total Number of Employees in Industry
In percent

NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	0.0	0.0	0.0	0.0

Source: State Statistical Office

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises
In thousands of MKD

NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	S	180	27	176	24	220	25	92	26
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-

Source: State Statistical Office

S-Small M-Medium B-Big

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	1,752	3,195	4,559	2,635

Source: State Statistical Office

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	42,906	18,745	35,286	45,055

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments
In thousands of US Dollars

NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	-	0	25	-

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises

NACE	Enterprises	Gross output in thousands of MKD	Number of Employed	Type of ownership
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	DASTO	32,010	31	Private
	VIDEO INZENERING	19,482	94	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee
In thousands of MKD

NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	396.5	779.1	500.1	212.6

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees
In million MKD

NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	28	34	43	39

Source: State Statistical Office

Table: Intermediate Consumption <i>In million MKD</i>				
NACE	2000	2001	2002	2003
32.2 Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	147	103	119	53
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

In the sector of telecommunications have been used regulations from the ex-SFRY and more important are the following:

Rulebook on technical normatives for cable distribution systems and joint aerial systems ("Official Gazette of SFRY" no. 66/87)

Rulebook on technical normatives for maintaining aerial masts ("Official Gazette of SFRY" no. 65/84)

Rulebook on compulsory attesting of receivable aerals for television and audio radio phonic broadcasting in the frequency range of 30MHz and for conditions that should be fulfilled by organizations authorized for attesting of these products ("Official Gazette of SFRY" no. 30/91)

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system**a) Non-tariff measures affecting imports and exports, such as licences and quotas**

See [15 I II A](#), point 7.

8. Likely developments, and time-scale**a) Investment envisaged (public sector, private sector, foreign)****b) Present or envisaged restructuring or modernisation plans**

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation**a) List of measures, either planned or already adopted****b) Timetable**

See [15 I II A](#), point 9.

3. Consumer electronics

Consumer electronics includes:

- 32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	PCE	-	4,280	4,760	4,762
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	PCE	-	35.8	74.9	33.2
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	PCE	-	1,533	3,564	1,581
Source: State Statistical Office					

Table: Realized Production
In thousands of MKD

NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	-	9,716	21,496	10,172

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand
In thousands of MKD

NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	848,998	400,486	908,109	784,104

Source: State Statistical Office

Forecast of domestic demand is not available.

d) National self-supply ratio (production – exports) (production + imports - exports)

Table: National Self-Supply Ratio
In percent

NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	-2.6	-0.9	0.3	-1.5

Source: State Statistical Office

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU
In tons

NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	155	147	228	140

Source: State Statistical Office

Table: Imports from the EU
In thousands of Euro

NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	5,126	1,486	4,432	2,048

Source: State Statistical Office

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	1,420	1,549	2,290	2,529

Source: State Statistical Office

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	9,249	5,149	10,413	10,908
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	United States of America, Turkey and Italy
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	5	7	6	15
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	119	104	110	224
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	32	36	11	20
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	344	476	224	370
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	Switzerland, Serbia and Montenegro and Italy
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	-	364.4	94.9	358.7
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	-	4,160.0	4,212.9	7,826.8
Source: State Statistical Office				

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	168	45	27	48
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	87	20	14	21
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	0.0	0.0	0.0	0.0
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	0.0	0.0	0.0	0.0
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	29	23	22	21
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	105	45	29	41
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	0.0	0.0	0.0	0.0
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	S	168	29	45	23	27	22	48	21
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	-	-	-	-
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	40,354	15,695	5,777	8,496
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	-	-	-	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross output in thousands of MKD	Number of Employed	Type of ownership
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	VIDEO INZENERING*	19,482	94	Private
	EMO FLEKSIBILNI SISTEMI*	1,982	13	Private
	DASTO*	32,010	31	Private
	SEMOS ENERGETIKA*	25,999	23	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	825.8	446.1	475.7	526.6
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	22	7	6	7
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
32.3 Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	81	25	13	27
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered...".

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees...".

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#) point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#), point 9.

4. Components including microelectronics

Components including microelectronics include:

- 32.1 Manufacture of electronic valves and tubes and other electronic components

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components		-	-	-	-
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components		-	-	-	-
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components		-	-	-	-
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	103,709	133,808	141,836	172,204
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	174,021	222,496	287,466	183,492
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	-6.3	-8.9	-3.8	-59.9
Source: State Statistical Office				

2. Trade**a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin**

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	13	25	34	31
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	1,314	2,520	2,706	2,932
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	108	93	18	23
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	1,736	1,473	2,183	1,844
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
32.1 Manufacture of electronic valves and tubes and other electronic components	Germany, United States of America and Taiwan
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	5	18	17	19
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	849	1,790	1,834	3,394
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	12	6	4	6
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	1,040	756	673	1,211
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
32.1 Manufacture of electronic valves and tubes and other electronic components	Germany, Turkey and Greece
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	110.6	115.9	107.8	163.8
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	178.4	181.4	210.9	170.4
Source: State Statistical Office				

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	161	91	84	122
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	30	20	26	52
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	0.0	0.0	0.0	0.0
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	0.0	0.0	0.0	0.0
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	45	38	33	32
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	234	206	240	126
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	0.0	0.0	0.0	0.0
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
32.1 Manufacture of electronic valves and tubes and other electronic components	S	151	44	86	37	76	31	120	151
	M	11	1	5	1	8	1	-	11
	B	-	-	-	-	0	1	2	-
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	2,012	-	-	661
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	168,129	150,652	152,650	52,631
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	-	6	-	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross output in thousands of MKD	Number of Employed	Type of ownership
32.1 Manufacture of electronic valves and tubes and other electronic components	SEMOS ENERGETIKA	25,999	23	Private
	DORA	17,898	16	Private
	EMO FLEKSIBILNI SISTEMI	1,982	13	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	128.7	96.3	108.1	411.4
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	45	38	37	24
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
32.1 Manufacture of electronic valves and tubes and other electronic components	131	71	58	70
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as an indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist.

Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#), point 9.

5. Software

Software includes:

- 72.2 Software consultancy and supply

1. Production and Consumption**a) Installed production capacity and its utilization rate**

No data available.

b) Present production (by volume and by value)

No data available.

c) Domestic demand, present and forecast (for the next three years)

No data available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

No data available.

2. Trade**a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin**

No data available.

b) Exports (by volume and by value) to the EU and other countries of destination

No data available.

c) Exports/production and imports/production ratios

No data available.

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	179	284	419	387
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	94	127	225	198
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in the Economy In percent				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	0.0	0.1	0.1	0.1
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in the Economy In percent				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	0.0	0.1	0.1	0.1
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	32	50	58	63
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	186	261	322	353
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in the Economy In percent				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	0.0	0.1	0.1	0.1
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
72.2 Software consultancy and supply	S	179	32	284	50	419	58	387	63
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	6,713	2,210	3,832	25,053
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	65,691	74,612	108,350	113,615
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars	
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NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	202	176	11	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
72.2 Software consultancy and supply	MICROSAM	38,657	28	Private
	EINSOFT	42,859	26	Private
	MACEDONIAN BUSINESS SYSTEMS	31,740	21	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	505.2	485.2	699.2	562.3
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	80	126	168	173
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
72.2 Software consultancy and supply	86	157	194	189
Source: State Statistical Office				

Notes for question 1 to 3:

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use,,"

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise,,"

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered,,"

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees,,"

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15.I.II.A](#), point 4.

5. Incentives

- a) For investment**
- b) For exports**
- c) Other**

See [15 I II A](#), point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation**
- b) Guarantees**

See [15 I II A](#), point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas**

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)**
- b) Present or envisaged restructuring or modernisation plans**

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted**
- b) Timetable**

See [15 I II A](#), point 9.

E. Pressure vessels, medical devices, measuring instruments, medical devices, including active medical devices and in vitro devices

- a) equipment operating under pressure (tanks, reservoirs, containers, industrial pipe-work, boilers, pressure vessels, safety devices operating under pressure)**
- b) equipment and apparatus for cooking, heating, production of hot water, lighting, washing, and refrigeration using gaseous or liquid fuels**
- c) measuring instruments (used for purposes of legal metrology)**

Pressure vessels, medical devices, measuring instruments, medical devices, including active medical devices and in vitro devices include:

- 28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers
- 28.3 Manufacture of steam generators, except central heating hot water boilers
- 33.1 Manufacture of medical and surgical equipment and orthopaedic appliances
- 33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity

NACE	Supplementary unit	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers		-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers		-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	PCE	3,100	3,100	5,000	13,450
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	Thous.PCE	32	32	32	32

Source: State Statistical Office

Table: Utilization Rate of the Installed Production Capacity

In percent

NACE	Supplementary unit	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers		-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers		-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	PCE	27.4	27.1	28.8	50.0
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	Thous.PCE	50.0	12.5	9.4	15.6

Source: State Statistical Office

b) Present production (by volume and by value)

Table: Realized Production

Volume

NACE	Supplementary unit	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers		-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers		-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	PCE	849	841	1,438	6,725
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	Thous.PCE	16	4	3	5

Source: State Statistical Office

Table: Realized Production

In thousands of MKD

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	28,585	29,657	42,870	59,345
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	19,600	4,240	3,180	5,300

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	0	0	0	0
28.3 Manufacture of steam generators, except central heating hot water boilers	0	0	0	0
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	1,298,391	982,116	1,712,517	754,460
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	1,028,968	607,352	869,579	585,963
Source: State Statistical Office				

Forecast of domestic demand is not available.

d) National self-supply ratio
(production – exports)
(production + imports - exports)

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	-3.4	-7.0	-2.9	2.3
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	1.2	-0.9	-0.4	-1.4
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	325	350	232	274
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	158	134	165	158
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	11,377	9,884	9,005	4,780
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	12,278	5,613	7,690	6,509
Source: State Statistical Office				

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	474	552	498	267
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	146	120	242	110

Source: State Statistical Office

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	10,947	7,378	19,864	7,235
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	4,550	4,455	7,732	3,188

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	Countries
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	Bulgaria, Greece and Serbia and Montenegro
28.3 Manufacture of steam generators, except central heating hot water boilers	Greece, Netherlands and Germany
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	Germany, Japan and United States of America
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	Germany, Italy and United States of America

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination**Table: Exports to the EU**
In tons

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	0	0	1	1
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	1	0	1	1

Source: State Statistical Office

Table: Exports to the EU
In thousands of Euro

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	42	45	43	140
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	31	21	12	42

Source: State Statistical Office

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	290	474	198	36
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	5	8	76	15

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	1,152	1,575	1,465	556
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	95	146	1,220	178

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	Serbia and Montenegro and Bulgaria
28.3 Manufacture of steam generators, except central heating hot water boilers	Greece, Iran and Libya
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	Serbia and Montenegro, Germany and Croatia
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	Albania, Serbia and Montenegro and Germany

Source: State Statistical Office

c) Exports/production and imports/production ratios**Table: Exports / Production Ratio**
In percent

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	253.5	332.6	214.5	71.9
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	39.1	239.3	2,370.9	254.7

Source: State Statistical Office

Table: Imports / Production Ratio
In percent

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	4,695.9	3,545.3	4,109.3	1,242.6
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	5,193.0	14,459.3	29,604.8	11,217.0

Source: State Statistical Office

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	137	119	122	106
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	187	131	127	144
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	72	68	68	61
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	65	49	60	82
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	0.0	0.0	0.0	0.0
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	0.0	0.0	0.0	0.0
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	0.0	0.0	0.0	0.0
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	0.0	0.0	0.0	0.0
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	25	27	26	24
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	47	36	38	35
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	107	107	98	91
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	169	135	135	115
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	0.0	0.0	0.0	0.0
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	0.0	0.0	0.0	0.0
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	S	-	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	S	-	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	S	137	25	119	27	122	26	106	24
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	S	187	47	131	36	127	38	144	35
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	232	496	201	93
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	1,762	566	-24	-

Source: State Statistical Office

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	46,909	46,042	43,912	51,423
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	57,984	32,888	33,126	18,489

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments
In thousands of US Dollars

NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	-	12	10	-
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	-	5	92	-

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises

NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	ZAVAR COMPANY	15,271	20	Private
	DIMCE BANJAROT*	86,113	230	Private
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	SLAVEJ	52,847	47	Private
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	MAKPETROL TEAS	24,940	27	Private
	MZT HEPOS EKA	3,206	10	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	668.9	639.8	697.7	665.2
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	386.6	363.9	443.8	712.6

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	50	47	43	42
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	41	36	37	32

Source: State Statistical Office

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
28.2 Manufacture of tanks, reservoirs and containers of metal; manufacture of central heating radiators and boilers	-	-	-	-
28.3 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-
33.1 Manufacture of medical and surgical equipment and orthopaedic appliances	65	50	53	45
33.2 Manufacture of instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment	121	81	67	62

Source: State Statistical Office

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,"

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,,"

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#) , point 4.

More important technical provisions, that are applicable in the Republic of Macedonia for the stated production groups in this question, are the following:

- Rulebook on technical normatives for designing, construction, use and maintenance of gas boilers ("Official Gazette of the SFRY" nr. 10/90)
- Rulebook on technical normatives for designing and construction of distribution gas pipeline in the SR of Macedonia ("Official Gazette of the SRM" nr. 45/90)
- Rulebook on technical normatives for production and utilization of steam boilers, steam vessels, steam pre-heaters and water heaters ("Official Gazette of SFRY" nr. 7/57, 61/72)
- Rulebook on technical normatives for acetylene pipelines ("Official Gazette of SFRY" nr. 6/92)
- Rulebook on technical normatives for oxygen gas pipelines ("Official Gazette of SFRY" nr. 52/90)
- Rulebook on technical normatives for surgical knives in frequent use ("Official Gazette of SFRY" nr. 62/84)
- Rulebook on obligatory attesting of gas stoves for home use, hot plates, gas ovens, grills, mini-ovens and the conditions that should be fulfilled by the organizations that are authorized to test such products ("Official Gazette of SFRY" nr. 18/91)

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#) , point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#) , point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#) , point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#), point 9.

F. Construction and construction products

1. Production and Consumption

a) Installed production capacity and its utilization rate

No data available.

b) Present production (by volume and by value)

No data available.

c) Present production (by volume and by value)

Value of the performed construction works on buildings In thousands of MKD				
	2000	2001	2002	2003
Total:	13,192,895	9,427,414	11,368,652	14,241,935
Of which:				
Residential	10,525,737	8,120,418	9,952,879	11,400,007
Non-residential	2,667,158	1,306,996	1,415,773	2,841,928
Source: State Statistical Office				

Table: Value of the performed construction works on buildings In thousands of MKD				
Finished buildings – total	2000	2001	2002	2003
Number	3,200	2,699	2,455	2,055
Space in m ²	818,520	678,069	584,025	674,798
Volume in m ³	2,390,220	1,969,680	1,718,969	1,825,633
Of which:				
Residential buildings				
Number	2,385	2,279	1,967	1,758
Space in m ²	631,777	595,495	507,592	591,202
Volume in m ³	1,805,334	1,700,378	1,474,302	1,555,094
Non-residential buildings				
Number	815	420	488	297
Space, m ²	186,743	82,574	76,433	83,596
Volume, m ³	584,886	269,302	244,667	270,539
Finished apartments-total				
Number	5,316	4,431	4,643	4,216
Space, m ²	432,249	375,300	368,695	339,643
Of which:				
Apartments for permanent residence				
Number	5,271	4,381	4,612	4,208
Space, m ²	429,741	371,964	367,205	339,279
Apartments for leisure				
Number	45	50	31	8
Space, m ²	2,508	3,336	1,490	364

Non- finished apartments				
Number	5,751	7,060	6,711	7,855
Space, m2	464,969	582,182	502,224	601,795
Source: State Statistical Office				

Table: value of the performed construction works on low construction objects In thousands of MKD					
	2000	2001	2002	2003	
Total	4,029,676	4,259,247	3,406,008	2,884,159	
Of which					
Transport infrastructure	3,185,049	3,093,618	2,478,672	2,183,911	
Pipelines and electrical lines	540,222	849,745	701,766	479,253	
Complex industry constructions	217,756	259,860	153,596	163,009	
Other low construction objects	86,649	56,024	71,974	57,986	
Source: State Statistical Office					

Table: Reconstruction, sanation, adaptation, significant fixtures and regular maintenance of the buildings: In thousands of MKD				
	2000	2001	2002	2003
Reconstruction, sanation, adaptation, significant fixtures and regular maintenance of buildings	1,915,830	1,052,515	784,665	801,239
Source: State Statistical Office				

Table: Construction works In thousands of MKD				
	2000	2001	2002	2003
Construction works	411,118	375,263	123,378	525,012
Source: State Statistical Office				

About 4800 apartments per year – in continuance

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Macedonia is covering the demand on the domestic market.

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

No data available.

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Value of the performed construction works abroad, in thousands of MKD. ¹⁾					
		2000	2001	2002	2003
	Total	2,295,649	1,729,983	554,303	1,677,570
	Buildings	760,147	550,080	441,868	520,840
	Other construction objects	1,535,502	1,179,903	112,435	1,156,730
	Average number of workers	1,204	985	526	631
Source: State Statistical Office					
The value data are given on the base of the US Dollar rate 1USD = 58,5979 MKD					

c) Exports/production and imports/production ratios

No data available.

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
	2000	2001	2002	2003
45 Construction	40,436	34,227	35,051	38,373
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
	2000	2001	2002	2003
45 Construction	13,361	11,801	11,893	13,537
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in the Economy In percent				
	2000	2001	2002	2003
45 Construction	9.6	8.2	8.4	8.8
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in the Economy In percent				
	2000	2001	2002	2003
45 Construction	7.0	6.2	6.2	6.5
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
	2000	2001	2002	2003
45 Construction	2,313	2,412	2,559	2,785
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
	2000	2001	2002	2003
45 Construction	32,648	30,955	31,642	34,238
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in the Economy In percent				
	2000	2001	2002	2003
45 Construction	6.7	6.4	6.6	7.4
Source: State Statistical Office				
Note: Construction belongs to the service sector and not in the industry sector.				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
45 Construction	S	18,491	2,262	16,444	2,357	19,840	2,511	23,102	2,732
	M	7,580	43	7,610	45	5,268	25	9,073	39
	B	14,365	8	10,172	10	9,943	23	6,197	14
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
45 Construction	4,986,731	1,951,619	2,141,392	2,277,744
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
45 Construction	10,276,454	9,576,746	9,586,922	10,574,923
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
45 Construction	18,903	12,323	4,013	71
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
45 Construction	GRANIT	3,173,909	2,668	Private
	MAVROVO	1,844,009	3,153	Private
	BETON	1,533,003	1,774	Private
	MAKEDONIJA PAT	1,170,066	1,662	Public
	PELAGONIJA	1, 860,846	1,251	Private
	ULICI I PATISTA	102,085	164	Public
	VODOSTOPANSTVO PELAGONIJA	136,077	386	Public
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
	2000	2001	2002	2003
45 Construction	409.2	381.2	375.9	395.4
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
	2000	2001	2002	2003
45 Construction	8,125	6,947	7,230	7,012
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
	2000	2001	2002	2003
45 Construction	27,075	22,426	23,158	24,836
Source: State Statistical Office				

Notes for question 1 to 3:

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery in active use,,"

3) f) Largest enterprises:

"Gross output has been used as an indicator for the production of the enterprise,,"

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered,,"

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees,,"

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

With the Law on standardisation from 1995 ("Official Gazette of RM" No. 23/95), 11.610 standards were accepted as macedonian standards – MKS, as well as technical provisions (rulebooks on quality, orders on compulsory attesting, rulebooks on technical normatives etc.). Most of these regulations have not been abolished and are still in use, i.e. they are enforced by the authorized ministries and bodies within the ministries. Most of the standards were compulsory.

With the new Law on Standardisation ("Official Gazette of RM" No. 54/02), all Macedonian standards are voluntary. In accordance with the Law on prescribing of technical requirements for products and evaluation of compliance ("Official Gazette of RM" No.55/02), technical provisions are under authority of the respective ministries.

In the scope of construction and construction products, there are 533 standards in total (12 main groups), of which 5 European standards are harmonized in the scope of thermal insulation, and 20 are in the procedure of undertaking of the European standards, and their adoption is expected. In regard with the technical provisions (rulebooks on quality, orders on obligatory attesting, rulebooks on technical normatives etc.), there are 46 provisions in the scope of construction and construction products, and some of them are valid in other scopes. More important provisions (rulebooks) are: Rulebook on technical normatives for construction of high-construction objects in seismic areas (Official Gazette of SFRY No. 31/81, 49/82, 29/83, 21/88, 52/90), Rulebook on technical normatives for reinforced concrete and concrete products (Official Gazette of SFRY 15/90, 26/88), Rulebook on technical normatives for designing and construction of final works in construction (Official Gazette of SFRY nr. 14/89) etc.

In regard with the reply to the question regarding sector-related requirements for environmental protection, see [15 I II A](#), point 4.

5. Incentives

- a) For investment**
- b) For exports**
- c) Other**

See [15 I II A](#), point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation**
- b) Guarantees**

See [15 I II A](#), point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas**

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)**
- b) Present or envisaged restructuring or modernisation plans**

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

Aiming to approximate the national legislation to the EU in the scope of construction and construction products, we will start to prepare a Law on Building Materials and by-laws, which will be completely in compliance with the requests of the Directive 89/106/EEC. The Law on construction and the by-laws that derive of this law are in the procedure of preparation (this Law is prepared by the Ministry of Transport and Communications and the Ministry of Environment and Physical Planning).

The quality control of construction objects will be made by the certifying, inspection bodies that will be accredited in accordance with the requests of the EU standards for accreditation.

b) Timetable

The preparation of the Law on construction, together with the following by-laws, is in the final phase, and its adoption and application is expected in the year 2005.

The preparation of the Law on Building Materials with the following by-laws will start in the year 2005, and its adoption and application is expected in the year 2006.

1. Manufacture of construction products

The reply to this question (1 – 9) is contained in the replies to questions: [15 I II A 4](#) (ceramics, as per NCA 26,21; 26,22; 26,23; 26,24; 26,3; 26,4), [15 I II A 5](#) (industries based on forests, as per NCA 20;2; 20,3; 21,24), [15 I II A 6](#) (glass and glass products, as per NCA 26,16), [15 I II A 7](#) (cement, as per NCA 26,5) and [15 I II C 2](#) (machine engineering, as per NCA 28,11) – metal frames for construction and mounting constructions; 28,12 – production of metal products for construction).

2. Execution of civil engineering works

See [15 I II F](#)

3. Execution of building and housing works

See [15 I II F](#)

G. Transport equipment industries

Transport equipment industries include:

- 34 Manufacture of motor vehicles, trailers and semi-trailers
- 35 Manufacture of other transport equipment
- 29.3 Manufacture of agricultural and forestry machinery

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	t	7,914	11,332	12,500	12,507
35 Manufacture of other transport equipment	t	500	500	500	500
29.3 Manufacture of agricultural and forestry machinery	t	1,232	1,232	1,754	2,507
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	t	59.9	36.4	37.6	33.6
35 Manufacture of other transport equipment	t	32.6	36.0	17.2	79.8
29.3 Manufacture of agricultural and forestry machinery	t	70.3	71.5	43.1	14.8
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	t	4,739	4,121	4,700	4,196
35 Manufacture of other transport equipment	t	163	180	86	399
29.3 Manufacture of agricultural and forestry machinery	t	866	881	756	371
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	1,397,264	1,352,044	1,314,201	1,237,343
35 Manufacture of other transport equipment	488,469	258,441	256,272	1,217,198
29.3 Manufacture of agricultural and forestry machinery	91,572	107,066	86,470	35,035
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	9,006,512	4,481,575	8,686,640	5,617,518
35 Manufacture of other transport equipment	1,067,335	245,846	560,572	1,165,674
29.3 Manufacture of agricultural and forestry machinery	947,786	443,347	595,881	343,452
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	3.8	8.6	4.5	5.1
35 Manufacture of other transport equipment	21.0	-3.2	4.3	77.9
29.3 Manufacture of agricultural and forestry machinery	7.6	13.4	5.8	-5.4

Source: State Statistical Office

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	19,466	9,209	51,111	21,108
35 Manufacture of other transport equipment	252	122	123	91
29.3 Manufacture of agricultural and forestry machinery	1,465	1,265	1,769	1,356

Source: State Statistical Office

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	93,640	48,055	114,700	68,234
35 Manufacture of other transport equipment	2,733	811	844	643
29.3 Manufacture of agricultural and forestry machinery	5,570	3,559	4,464	2,177

Source: State Statistical Office

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	9,997	3,919	7,017	4,721
35 Manufacture of other transport equipment	1,484	1,266	1,454	1,995
29.3 Manufacture of agricultural and forestry machinery	4,031	2,056	3,119	2,743

Source: State Statistical Office

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	49,483	19,318	21,594	19,328
35 Manufacture of other transport equipment	11,480	3,344	7,942	3,556
29.3 Manufacture of agricultural and forestry machinery	8,839	2,744	4,782	3,751

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
34 Manufacture of motor vehicles, trailers and semi-trailers	Germany, France and Italy
35 Manufacture of other transport equipment	United States of America, Croatia and China
29.3 Manufacture of agricultural and forestry machinery	Serbia and Montenegro, Italy and Germany

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	831	848	640	565
35 Manufacture of other transport equipment	123	218	108	123
29.3 Manufacture of agricultural and forestry machinery	2	3	3	3
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	4,113	4,746	3,203	2,509
35 Manufacture of other transport equipment	1,595	844	921	1,163
29.3 Manufacture of agricultural and forestry machinery	27	14	10	11
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	2,508	2,025	2,302	2,647
35 Manufacture of other transport equipment	126	139	251	1,659
29.3 Manufacture of agricultural and forestry machinery	325	476	497	489
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	14,075	13,451	14,886	13,559
35 Manufacture of other transport equipment	3,198	3,534	2,896	3,885
29.3 Manufacture of agricultural and forestry machinery	530	771	847	864
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
34 Manufacture of motor vehicles, trailers and semi-trailers	Russian Federation, Serbia and Montenegro and Italy
35 Manufacture of other transport equipment	Serbia and Montenegro, Italy and Poland
29.3 Manufacture of agricultural and forestry machinery	Serbia and Montenegro, Slovenia and Croatia
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	79.1	82.0	83.9	79.5
35 Manufacture of other transport equipment	59.5	103.2	90.9	25.4
29.3 Manufacture of agricultural and forestry machinery	37.0	44.6	60.2	152.5
Source: State Statistical Office				

Table: Imports / Production Ratio
In percent

NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	621.5	303.5	632.5	433.8
35 Manufacture of other transport equipment	176.0	98.2	209.3	21.1
29.3 Manufacture of agricultural and forestry machinery	956.1	358.7	649.3	1032.8

Source: State Statistical Office

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output
In million MKD

NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	1,619	1,503	1,473	1,769
35 Manufacture of other transport equipment	476	495	336	457
29.3 Manufacture of agricultural and forestry machinery	87	10	-63	7

Source: State Statistical Office

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	583	590	442	531
35 Manufacture of other transport equipment	254	281	143	212
29.3 Manufacture of agricultural and forestry machinery	49	-46	-115	3

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	1.1	1.1	1.1	1.3
35 Manufacture of other transport equipment	0.3	0.4	0.3	0.3
29.3 Manufacture of agricultural and forestry machinery	0.1	0.0	0.0	0.0

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	1.1	1.2	0.9	1.0
35 Manufacture of other transport equipment	0.5	0.6	0.3	0.4
29.3 Manufacture of agricultural and forestry machinery	0.1	-0.1	-0.2	0.0

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises

NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	42	38	41	45
35 Manufacture of other transport equipment	10	9	4	5
29.3 Manufacture of agricultural and forestry machinery	10	6	6	5

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	3,833	2,675	2,374	1,248
35 Manufacture of other transport equipment	761	768	742	713
29.3 Manufacture of agricultural and forestry machinery	203	199	204	9
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	2.4	1.7	1.6	0.9
35 Manufacture of other transport equipment	0.5	0.5	0.5	0.5
29.3 Manufacture of agricultural and forestry machinery	0.1	0.1	0.1	0.0
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
34 Manufacture of motor vehicles, trailers and semi-trailers	S	238	37	134	32	199	34	952	41
	M	270	2	666	4	610	2	813	3
	B	1,112	3	703	2	664	5	4	1
35 Manufacture of other transport equipment	S	17	8	12	7	33	2	71	3
	M	125	1	146	1	131	1	65	1
	B	333	1	337	1	173	1	321	1
29.3 Manufacture of agricultural and forestry machinery	S	8,801	9	1,308	5	4,750	6	6,620	5
	M	78,148	1	8,740	1	-	-	-	-
	B	-	-	-	-	-67,097	1	-	-
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	3,397	21,492	35,146	1,250,184
35 Manufacture of other transport equipment	26,971	6,245	6,598	12,173
29.3 Manufacture of agricultural and forestry machinery	368	16,958	-	-
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	1,789,154	1,713,485	1,078,709	1,256,137
35 Manufacture of other transport equipment	284,468	549,050	532,525	523,576
29.3 Manufacture of agricultural and forestry machinery	45,402	60,231	2,044	1,767
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	-	-	71	-
35 Manufacture of other transport equipment	-	-	344	232
29.3 Manufacture of agricultural and forestry machinery	-	-	-	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
34 Manufacture of motor vehicles, trailers and semi-trailers	MOTOR KOAC INDUSTRIJA INTERNACIONAL	827,771	53	Private
	AMAK SP	491,460	205	Private
	SIGURNOSNI POJASI	293,111	86	Private
	MZT OPREMA ZA VOZILA	32,148	50	Private
	MZT FOP	28,428	166	Private
	RUEN*	319,848**	1,051**	Private
	MLAZ*	657,402	1,128	Private
	BRAKO*	124,636	175	Private
35 Manufacture of other transport equipment	MZT HEPOS*	321,394	405	Private
	SOBIM	70,564	16	Private
	F-KA ZA SINSKI VOZILA	65,173	291	Public
29.3 Manufacture of agricultural and forestry machinery	METALNA*	39,687	93	Private
	METALOPROMET*	142,248	31	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	152.0	220.4	186.2	425.5
35 Manufacture of other transport equipment	333.3	365.4	193.3	297.0
29.3 Manufacture of agricultural and forestry machinery	241.0	-232.1	-563.8	289.2
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	780	434	444	230
35 Manufacture of other transport equipment	201	194	194	196
29.3 Manufacture of agricultural and forestry machinery	43	38	26	1
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
34 Manufacture of motor vehicles, trailers and semi-trailers	1,037	913	1,031	1,238
35 Manufacture of other transport equipment	222	215	193	246
29.3 Manufacture of agricultural and forestry machinery	38	56	53	4
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist.

Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#) point 4.

In the transport equipment sector regulations are used from ex-SFRY, more important being:

- Rulebook on compulsory attesting of brake linings for motor and trailer vehicles and the conditions that the authorised organizations for attesting of these products should fulfil (Official Gazette of SFRY No.76/90)
- Rulebook on the ways of transport of dangerous substances in road traffic (Official Gazette of SFRY No.82/90)
- Rulebook on technical normatives for appliances and equipment for drive of motor vehicles on liquid petrol gas (Official Gazette of SFRY No.7/84)

Order for defining of products from the automobile industry that can be sold only if they are supplied with a warranty and a technical manual, and the minimum duration of the warranty period and the service period for these products (,Official Gazette of SFRY No.9/81 and No.62/84)

5. Incentives

- a) For investment**
- b) For exports**
- c) Other**

See [15 I II A](#) , point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation**
- b) Guarantees**

See [15 I II A](#) , point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas**

See [15 I II A](#) , point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)**
- b) Present or envisaged restructuring or modernisation plans**

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted**
- b) Timetable**

See [15 I II A](#) , point 9.

1. Automobile products:

- a) passenger cars**
- b) light commercial vehicles (up to 5 t gross vehicle weight)**
- c) buses and coaches**
- d) trucks**
- e) powered two- and three-wheelers**
- f) trailers and semi-trailers**
- g) parts and components**
- h) wheeled agricultural and forestry tractors**
- i) trailers and interchangeable towed machinery for agricultural and forestry tractors**
- j) systems, components and separate technical units for agricultural and forestry tractors**

Automobile products include:

- 34.1 Manufacture of motor vehicles
- 34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers
- 34.3 Manufacture of parts and accessories for motor vehicles and their engines
- 35.41 Manufacture of motorcycles
- 35.42 Manufacture of bicycles
- 35.43 Manufacture of invalid carriages
- 29.31 Manufacture of agricultural tractors
- 29.32 Manufacture of other agricultural and forestry machinery

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
34.1 Manufacture of motor vehicles		-	-	-	-
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers		4,114	7,532	8,700	8,707
34.3 Manufacture of parts and accessories for motor vehicles and their engines	t	3,800	3,800	3,800	3,800
35.41 Manufacture of motorcycles		-	-	-	-
35.42 Manufacture of bicycles		-	-	-	-
35.43 Manufacture of invalid carriages		-	-	-	-
29.31 Manufacture of agricultural tractors		-	-	-	-
29.32 Manufacture of other agricultural and forestry machinery	t	1,232	1,232	1,754	2,507
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
34.1 Manufacture of motor vehicles		-	-	-	-
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of	t	37.8	20.3	22.1	16.7
34.3 Manufacture of parts and accessories for motor vehicles and their engines	t	83.8	68.2	73.1	72.2
35.41 Manufacture of motorcycles		-	-	-	-
35.42 Manufacture of bicycles		-	-	-	-
35.43 Manufacture of invalid carriages		-	-	-	-
29.31 Manufacture of agricultural tractors		-	-	-	-
29.32 Manufacture of other agricultural and forestry machinery	t	70.3	71.5	43.1	14.8
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
34.1 Manufacture of motor vehicles		-	-	-	-
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of	t	1,555	1,529	1,923	1,454
34.3 Manufacture of parts and accessories for motor vehicles and their engines	t	3,184	2,592	2,777	2,742
35.41 Manufacture of motorcycles		-	-	-	-
35.42 Manufacture of bicycles		-	-	-	-
35.43 Manufacture of invalid carriages		-	-	-	-
29.31 Manufacture of agricultural tractors		-	-	-	-
29.32 Manufacture of other agricultural and forestry machinery	t	866	881	756	371
Source: State Statistical Office					

Table: Realized Production
In thousands of MKD

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	117,922	200,754	0	0
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	183,161	202,082	206,813	211,369
34.3 Manufacture of parts and accessories for motor vehicles and their engines	1,096,181	949,208	1,107,388	1,025,974
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	0	0	0	33,021
35.43 Manufacture of invalid carriages	4,464	3,880	2,062	4,761
29.31 Manufacture of agricultural tractors	-	-	-	-
29.32 Manufacture of other agricultural and forestry machinery	91,572	107,066	86,470	35,035

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand
In thousands of MKD

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	7,779,969	3,563,245	7,554,902	4,549,208
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	615,315	355,200	426,890	400,767
34.3 Manufacture of parts and accessories for motor vehicles and their engines	611,228	563,130	704,849	667,543
35.41 Manufacture of motorcycles	100,255	37,114	45,725	59,594
35.42 Manufacture of bicycles	73,541	60,982	33,505	85,574
35.43 Manufacture of invalid carriages	17,424	10,686	7,293	9,568
29.31 Manufacture of agricultural tractors	502,796	189,259	240,064	114,562
29.32 Manufacture of other agricultural and forestry machinery	444,990	254,088	355,817	228,891

Source: State Statistical Office

Forecast of domestic demand is not available.

d) National self-supply ratio (production – exports) (production + imports - exports)

Table: National Self-Supply Ratio
In percent

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	0.8	1.3	-0.6	-2.4
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	29.4	56.1	47.0	50.7
34.3 Manufacture of parts and accessories for motor vehicles and their engines	16.5	24.5	32.9	28.7
35.41 Manufacture of motorcycles	-23.0	-32.9	-20.0	-2.5
35.42 Manufacture of bicycles	-3.8	-11.4	-82.2	-23.0
35.43 Manufacture of invalid carriages	25.6	36.3	28.3	49.7
29.31 Manufacture of agricultural tractors	-0.5	-0.7	-1.1	-2.2
29.32 Manufacture of other agricultural and forestry machinery	16.8	23.8	10.4	-6.9

Source: State Statistical Office

2. Trade**a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin**

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	16,246	7,610	48,611	18,646
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	2,599	1,056	1,889	1,663
34.3 Manufacture of parts and accessories for motor vehicles and their engines	621	544	611	800
35.41 Manufacture of motorcycles	64	23	45	39
35.42 Manufacture of bicycles	112	59	53	20
35.43 Manufacture of invalid carriages	6	13	5	6
29.31 Manufacture of agricultural tractors	743	671	705	582
29.32 Manufacture of other agricultural and forestry machinery	722	594	1,064	774
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	82,531	41,900	107,020	60,503
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	6,290	2,026	3,090	2,960
34.3 Manufacture of parts and accessories for motor vehicles and their engines	4,819	4,129	4,590	4,770
35.41 Manufacture of motorcycles	686	286	481	448
35.42 Manufacture of bicycles	340	217	134	64
35.43 Manufacture of invalid carriages	129	101	48	21
29.31 Manufacture of agricultural tractors	2,750	1,777	1,245	482
29.32 Manufacture of other agricultural and forestry machinery	2,820	1,782	3,219	1,696
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	8,636	2,894	5,635	3,631
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	513	256	432	214
34.3 Manufacture of parts and accessories for motor vehicles and their engines	847	770	949	876
35.41 Manufacture of motorcycles	233	76	75	81
35.42 Manufacture of bicycles	538	746	676	1,370
35.43 Manufacture of invalid carriages	8	2	8	11
29.31 Manufacture of agricultural tractors	2,625	1,206	1,865	1,513
29.32 Manufacture of other agricultural and forestry machinery	1,406	850	1,254	1,230
Source: State Statistical Office				

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	44,916	15,876	17,811	15,886
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	907	540	621	442
34.3 Manufacture of parts and accessories for motor vehicles and their engines	3,659	2,902	3,162	3,000
35.41 Manufacture of motorcycles	1,346	524	417	549
35.42 Manufacture of bicycles	917	899	867	1,652
35.43 Manufacture of invalid carriages	85	11	37	57
29.31 Manufacture of agricultural tractors	5,567	1,351	2,752	1,437
29.32 Manufacture of other agricultural and forestry machinery	3,272	1,393	2,030	2,314

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	Countries
34.1 Manufacture of motor vehicles	Germany, France and Italy
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	Germany, Sweden and Serbia and Montenegro
34.3 Manufacture of parts and accessories for motor vehicles and their engines	Germany, Serbia and Montenegro and Italy
35.41 Manufacture of motorcycles	Italy, Slovenia and Japan
35.42 Manufacture of bicycles	China, Greece and Bulgaria
35.43 Manufacture of invalid carriages	France, United States of America and Germany
29.31 Manufacture of agricultural tractors	Serbia and Montenegro, Italy and Japan
29.32 Manufacture of other agricultural and forestry machinery	Germany, Serbia and Montenegro and Slovenia

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination**Table: Exports to the EU**
In tons

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	34	255	181	250
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	14	20	23	14
34.3 Manufacture of parts and accessories for motor vehicles and their engines	784	573	436	302
35.41 Manufacture of motorcycles	2	1	1	1
35.42 Manufacture of bicycles	-	27	37	28
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	1	0	0	0
29.32 Manufacture of other agricultural and forestry machinery	1	3	3	3

Source: State Statistical Office

Table: Exports to the EU
In thousands of Euro

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	236	2,504	1,257	1,531
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	14	34	14	22
34.3 Manufacture of parts and accessories for motor vehicles and their engines	3,863	2,207	1,931	956
35.41 Manufacture of motorcycles	18	1	7	4
35.42 Manufacture of bicycles	-	57	75	69
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	5	3	0	0
29.32 Manufacture of other agricultural and forestry machinery	22	11	10	11

Source: State Statistical Office

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	195	218	303	167
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	19	41	92	140
34.3 Manufacture of parts and accessories for motor vehicles and their engines	2,294	1,765	1,907	2,340
35.41 Manufacture of motorcycles	46	23	14	2
35.42 Manufacture of bicycles	5	17	165	376
35.43 Manufacture of invalid carriages	-	-	-	0
29.31 Manufacture of agricultural tractors	40	17	27	16
29.32 Manufacture of other agricultural and forestry machinery	286	459	471	473

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	1,217	1,953	2,278	754
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	25	81	155	132
34.3 Manufacture of parts and accessories for motor vehicles and their engines	12,833	11,417	12,453	12,672
35.41 Manufacture of motorcycles	362	200	143	21
35.42 Manufacture of bicycles	53	57	388	789
35.43 Manufacture of invalid carriages	-	-	-	0
29.31 Manufacture of agricultural tractors	38	19	43	42
29.32 Manufacture of other agricultural and forestry machinery	492	751	804	822

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
34.1 Manufacture of motor vehicles	Serbia and Montenegro, United Kingdom and Germany
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	Serbia and Montenegro, Slovenia and Bulgaria
34.3 Manufacture of parts and accessories for motor vehicles and their engines	Russia, Serbia and Montenegro and Italy
35.41 Manufacture of motorcycles	Serbia and Montenegro, Greece and Czech Republic
35.42 Manufacture of bicycles	Serbia and Montenegro, Greece and Slovenia
35.43 Manufacture of invalid carriages	Serbia and Montenegro
29.31 Manufacture of agricultural tractors	Albania, Serbia and Montenegro and Greece
29.32 Manufacture of other agricultural and forestry machinery	Serbia and Montenegro, Slovenia and Croatia

Source: State Statistical Office

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	74.8	135.5	-	-
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	1.3	3.5	5.0	4.5
34.3 Manufacture of parts and accessories for motor vehicles and their engines	92.6	87.4	79.2	81.3
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	-	-	-	159.5
35.43 Manufacture of invalid carriages	-	-	-	0.1
29.31 Manufacture of agricultural tractors	-	-	-	-
29.32 Manufacture of other agricultural and forestry machinery	34.1	43.4	57.1	145.2
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	6,556.8	1,753.1	-	-.
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	238.3	77.3	109.4	98.6
34.3 Manufacture of parts and accessories for motor vehicles and their engines	47.0	45.1	42.7	46.4
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	-	-	-.	318.7
35.43 Manufacture of invalid carriages	290.3	175.4	253.7	101.0
29.31 Manufacture of agricultural tractors	-.	-	-	-
29.32 Manufacture of other agricultural and forestry machinery	404.2	180.7	368.6	698.5
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	154	0	0	3
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	118	327	150	860
34.3 Manufacture of parts and accessories for motor vehicles and their engines	1,347	1,174	1,322	906
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	0	0	32	71
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	1	0	0	1
29.32 Manufacture of other agricultural and forestry machinery	86	10	-63	6
Source: State Statistical Office				

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	33	0	0	1
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	68	188	31	258
34.3 Manufacture of parts and accessories for motor vehicles and their engines	482	402	411	272
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	-4	-2	3	13
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	0	0	0	1
29.32 Manufacture of other agricultural and forestry machinery	49	-46	-115	2

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	0.0	0.0	0.0	0.0
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0.0	0.1	0.0	0.2
34.3 Manufacture of parts and accessories for motor vehicles and their engines	0.3	0.3	0.3	0.2
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	0.0	0.0	0.0	0.0
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	0.0	0.0	0.0	0.0
29.32 Manufacture of other agricultural and forestry machinery	0.1	0.0	0.0	0.0

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	0.0	0.0	0.0	0.0
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0.0	0.1	0.0	0.1
34.3 Manufacture of parts and accessories for motor vehicles and their engines	0.3	0.2	0.2	0.1
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	0.0	0.0	0.0	0.0
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	0.0	0.0	0.0	0.0
29.32 Manufacture of other agricultural and forestry machinery	0.1	-0.1	-0.2	0.0

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	1	1	1	2
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	3	4	6	6
34.3 Manufacture of parts and accessories for motor vehicles and their engines	38	33	34	37
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	5	4	1	2
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	1	1	1	1
29.32 Manufacture of other agricultural and forestry machinery	9	5	5	4

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	1,173	-	1	10
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	161	182	121	75
34.3 Manufacture of parts and accessories for motor vehicles and their engines	2,499	2,493	2,252	1,163
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	17	26	16	16
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	-	-	-	1
29.32 Manufacture of other agricultural and forestry machinery	203	199	204	8
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	0.2	-	0.0	0.0
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0.0	0.0	0.0	0.0
34.3 Manufacture of parts and accessories for motor vehicles and their engines	0.5	0.5	0.5	0.3
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	0.0	0.0	0.0	0.0
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	-	-	-	0.0
29.32 Manufacture of other agricultural and forestry machinery	0.1	0.1	0.1	0.0
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
34.1 Manufacture of motor vehicles	S	-	-	2	1	0	1	3	2
	M	-	-	-	-	-	-	-	-
	B	154	1	-	-	-	-	-	-
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	S	118	3	22	3	51	5	860	6
	M	-	-	305	1	-	-	-	-
	B	-	-	-	-	99	1	-	-
34.3 Manufacture of parts and accessories for motor vehicles and their engines	S	120	34	111	28	147	28	89	33
	M	270	2	360	3	610	2	813	3
	B	957	2	703	2	565	4	4	1
35.41 Manufacture of motorcycles	S	-	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	-

	B	-	-	-	-	-	-	-	-
35.42 Manufacture of bicycles	S	12	5	10	4	32	1	71	2
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
35.43 Manufacture of invalid carriages	S	-	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
29.31 Manufacture of agricultural tractors	S	521	1	300	1	403	1	856	1
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
29.32 Manufacture of other agricultural and forestry machinery	S	8,280	8	1,008	4	4,347	5		
	M	78,148	1	8,740	1	-	-	5,763	4
	B	-	-	-	-	-67,097	1	-	-
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	84	-	-	-
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	4,687	-873	-	1,240,103
34.3 Manufacture of parts and accessories for motor vehicles and their engines	-1,374	22,365	35,146	10,081
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	-	-	3,474	10,678
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	-	-	-	-
29.32 Manufacture of other agricultural and forestry machinery	368	16,958	-	-

Source: State Statistical Office

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	386,494	61	151	727,218
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	31,337	365,009	379,895	118,088
34.3 Manufacture of parts and accessories for motor vehicles and their engines	1,371,323	1,348,415	698,663	410,831
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	13,902	15,618	17,943	36,425
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	64	47	210	169
29.32 Manufacture of other agricultural and forestry machinery	45,338	60,184	1,834	1,598

Source: State Statistical Office

S-Small M-Medium B-Big

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology**Table: Foreign Direct Investments**
In thousands of US Dollars

NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	-	-	-	-
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	-	-	-	-
34.3 Manufacture of parts and accessories for motor vehicles and their engines	-	-	-	-
35.41 Manufacture of motorcycles	-	-	71	-
35.42 Manufacture of bicycles	-	-	-	-
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	-	-	-	-
29.32 Manufacture of other agricultural and forestry machinery	-	-	-	-

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?**Table: The Largest Enterprises**

NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
34.1 Manufacture of motor vehicles	SANOS*	-	-	-
	MOTOR COACH INDUSTRY INTERNATIONAL*	827,771	53	Private
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	MOTOR COACH INDUSTRY INTERNATIONAL	827,771	53	Private
	BRAKO*	124,636	175	Private
	MLAZ*	657,402	1,128	Private
	MARGOS	1,793	16	Private
	SANOS	-	-	-
34.3 Manufacture of parts and accessories for motor vehicles and their engines	AMAK SP	491,460	205	Private
	SIGURNOSNI POJASI	293,111	86	Private
	MZT OPREMA ZA VOZILA	32,148	50	Private
	MZT FOP	28,428	166	Private
	RUEN	319,848**	1,051**	Private
	ZASTAVA AGP BE-PO*	461,981	666	Private
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	SOBIM	70,564	16	Private
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	-	-	-	-
29.32 Manufacture of other agricultural and forestry machinery	ESM FOD*	309,443	240	Public

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	28.2	-	-145.8	85.0
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	422.3	1,031.2	255.5	3,442.1
34.3 Manufacture of parts and accessories for motor vehicles and their engines	192.7	161.2	182.6	233.9
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	-259.3	-90.0	186.2	797.4
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	-	-	-	543.0
29.32 Manufacture of other agricultural and forestry machinery	241.3	-233.1	-564.9	257.0
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	232	0	0	1
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	37	38	43	0
34.3 Manufacture of parts and accessories for motor vehicles and their engines	510	396	401	235
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	3	6	4	3
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	0	-	-	0
29.32 Manufacture of other agricultural and forestry machinery	43	38	26	1
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
34.1 Manufacture of motor vehicles	121	1	0	2
34.2 Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	50	139	119	602
34.3 Manufacture of parts and accessories for motor vehicles and their engines	866	772	911	634
35.41 Manufacture of motorcycles	-	-	-	-
35.42 Manufacture of bicycles	16	12	29	58
35.43 Manufacture of invalid carriages	-	-	-	-
29.31 Manufacture of agricultural tractors	1	0	0	0
29.32 Manufacture of other agricultural and forestry machinery	37	56	52	4
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export,."

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export,."

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),."

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use,."

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist.

Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#) point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#) , point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#) , point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#) point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#) point 9.

2. Rail and other guided transport vehicles

Rail and other guided transport vehicles include:

- 35.2 Manufacture of railway and tramway locomotives and rolling stock

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity

NACE	Supplementary Unit	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	t	500	500	500	500

Source: State Statistical Office

Table: Utilization Rate of the Installed Production Capacity
In percent

NACE	Supplementary Unit	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	t	32.6	36.0	17.2	79.8

Source: State Statistical Office

b) Present production (by volume and by value)Table: Realized Production
Volume

NACE	Supplementary Unit	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	t	163	180	86	399

Source: State Statistical Office

Table: Realized Production
In thousands of MKD

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	484,005	254,561	254,210	1,179,416

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)Table: Domestic Demand
In thousands of MKD

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	418,145	116,265	453,098	955,337

Source: State Statistical Office

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**Table: National Self-Supply Ratio
In percent

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	59.6	6.8	13.5	97.3

Source: State Statistical Office

2. Trade**a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin**

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	53	6	0	0
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	1,360	23	7	4
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	607	370	571	374
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	1,698	1,746	6,409	412
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
35.2 Manufacture of railway and tramway locomotives and rolling stock	United States of America, Croatia and Serbia and Montenegro
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	120	190	66	73
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	1,575	783	803	1,034
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	71	98	70	1,270
Source: State Statistical Office				

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	2,720	3,274	2,358	3,048

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
35.2 Manufacture of railway and tramway locomotives and rolling stock	Serbia and Montenegro, Italy and Poland

Source: State Statistical Office

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio
In percent

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	53.8	97.0	75.9	21.2

Source: State Statistical Office

Table: Imports / Production Ratio
In percent

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	38.3	42.6	154.1	2.2

Source: State Statistical Office

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output
In million MKD

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	458	484	303	387

Source: State Statistical Office

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	256	282	140	199

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	0.1	0.1	0.1	0.1

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	0.1	0.1	0.1	0.1

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	2	2	2	2
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	737	728	725	696
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	0.2	0.2	0.2	0.2
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
35.2 Manufacture of railway and tramway locomotives and rolling stock	S	-	-	-	-	-	-	-	-
	M	125	1	146	1	131	1	65	1
	B	333	1	337	1	173	1	321	1
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	26,971	6,245	3,124	1,495
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	270,063	533,006	514,455	487,121
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technologyTable: Foreign Direct Investments
In thousands of US Dollars

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	-	-	344	232

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises

NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
35.2 Manufacture of railway and tramway locomotives and rolling stock	MZT HEPOS	321,394	405	Private
	F-KA ZA SINski VOZILA	65,173	291	Public

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour workedTable: Productivity per Employee
In thousands of MKD

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	347.7	388.0	193.6	285.8

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industryTable: Compensation of Employees
In million MKD

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	198	188	190	192

Source: State Statistical Office

Table: Intermediate Consumption
In million MKD

NACE	2000	2001	2002	2003
35.2 Manufacture of railway and tramway locomotives and rolling stock	202	201	163	188

Source: State Statistical Office

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use,,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered,,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees,,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#) point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#) , point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#) , point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#) , point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#) point 9.

3. Shipbuilding and ship repair

In the Republic of Macedonia ships are not produced.

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#) , point 4.

5. Incentives

- a) For investment**
- b) For exports**
- c) Other**

See [15 I II A](#) , point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation**
- b) Guarantees**

See [15 I II A](#), point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas**

See [15 I II A](#) , point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)**
- b) Present or envisaged restructuring or modernisation plans**

See [15 I II A](#) point 8.

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted**
- b) Timetable**

See [15 I II A](#), point 9.

H. Food products

Food products

- a) food sector as a whole
- b) non-alcoholic beverages - soft drinks and mineral water
- c) malting and brewing malting industries
- d) spirituous beverages
- e) sugar confectionery and chocolate products
- f) biscuit, bakers' and pastry products
- g) pasta
- h) ice cream
- i) other food products
- j) tobacco products

Food products include:

- 15 Manufacture of food products and beverages
- 15.32 Manufacture of fruit and vegetable juice
- 15.52 Manufacture of ice cream
- 15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes
- 15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes
- 15.83 Manufacture of sugar

- 15.84 Manufacture of cocoa; chocolate and sugar confectionery
- 15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products
- 15.86 Processing of tea and coffee
- 15.87 Manufacture of condiments and seasonings
- 15.88 Manufacture of homogenized food preparations and dietetic food
- 15.89 Manufacture of other food products n.e.c.
- 15.91 Manufacture of distilled potable alcoholic beverages
- 15.92 Production of ethyl alcohol from fermented materials
- 15.93 Manufacture of wines
- 15.94 Manufacture of cider and other fruit wines
- 15.95 Manufacture of other non-distilled fermented beverages
- 15.96 Manufacture of beer
- 15.97 Manufacture of malt
- 15.98 Production of mineral waters and soft drinks
- 16 Manufacture of tobacco products

Nutrition products

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
15 Manufacture of food products and beverages	hl	10,985,706	11,124,694	11,797,297	12,463,014
15.32 Manufacture of fruit and vegetable juice	t	1,219,711	1,192,520	1,349,308	1,430,527
15.52 Manufacture of ice cream		86,370	55,116	52,260	116,463
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes		102	43	136	1,125
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	t	259,359	246,265	265,849	259,917
15.83 Manufacture of sugar	t	8,328	7,758	9,405	10,933
15.84 Manufacture of cocoa; chocolate and sugar confectionery	t	71,098	71,098	71,098	71,098
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	t	14,302	13,573	14,492	13,066
15.86 Processing of tea and coffee	t	2,138	1,913	2,097	1,898
15.87 Manufacture of condiments and seasonings	t	6,259	5,175	7,234	7,347
15.88 Manufacture of homogenized food preparations and dietetic food	t	16,772	20,490	20,045	25,005
15.89 Manufacture of other food products n.e.c.	t	500	500	500	500
15.91 Manufacture of distilled potable alcoholic beverages	t	10,888	10,892	14,427	14,427
15.92 Production of ethyl alcohol from fermented materials	hl	178,435	178,435	219,891	219,891
15.93 Manufacture of wines	hl	5,000,000	5,000,000	5,000,000	5,000,000
15.94 Manufacture of cider and other fruit wines	hl	1,854,681	1,938,932	1,767,929	2,373,646
15.95 Manufacture of other non-distilled fermented beverages		-	-	-	-
15.96 Manufacture of beer		-	-	-	-
15.97 Manufacture of malt	hl	1,450,000	1,500,000	1,500,000	1,500,000
15.98 Production of mineral waters and soft drinks	t	5,596	5,184	5,184	0
16 Manufacture of tobacco products	hl	2,502,590	2,507,327	3,309,477	3,369,477
15 Manufacture of food products and beverages	t	56,513	53,455	52,394	51,803

Source: State Statistical Office

Table: Utilization Rate of the Installed Production Capacity (In percent)

NACE	Supplementary Unit	2000	2001	2002	2003
15 Manufacture of food products and beverages	hl	52.9	64.9	53.7	50.2
15.32 Manufacture of fruit and vegetable juice	t	43.7	41.8	42.0	38.3
15.52 Manufacture of ice cream		30.5	25.8	29.6	20.5
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes		100.0	100.0	24.2	28.1
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	t	28.1	24.5	23.9	24.0
15.83 Manufacture of sugar		42.4	46.3	54.1	50.4
15.84 Manufacture of cocoa; chocolate and sugar confectionery		49.1	43.9	70.4	60.4
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products		53.3	53.6	54.3	49.7
15.86 Processing of tea and coffee		15.9	33.5	40.2	34.2
15.87 Manufacture of condiments and seasonings		30.1	38.3	49.9	38.6
15.88 Manufacture of homogenized food preparations and dietetic food		16.2	14.5	17.9	21.7
15.89 Manufacture of other food products n.e.c.		21.4	19.0	19.6	17.6
15.91 Manufacture of distilled potable alcoholic beverages		78.4	73.8	60.2	58.0
15.92 Production of ethyl alcohol from fermented materials	hl	14.7	11.5	13.7	4.2
15.93 Manufacture of wines	hl	55.6	87.8	75.9	56.7
15.94 Manufacture of cider and other fruit wines	hl	58.0	47.1	26.9	43.3
15.95 Manufacture of other non-distilled fermented beverages		-	-	-	-
15.96 Manufacture of beer		-	-	-	-
15.97 Manufacture of malt	hl	45.5	41.5	42.5	45.3
15.98 Production of mineral waters and soft drinks	t	45.0	45.0	45.0	-
16 Manufacture of tobacco products	hl	50.9	50.9	42.1	50.5
15 Manufacture of food products and beverages	t	61.6	50.1	52.8	59.5

Source: State Statistical Office

b) Present production (by volume and by value)

Table: Realized Production (Volume)

NACE	Supplementary Unit	2000	2001	2002	2003
15 Manufacture of food products and beverages	hl	5,816,760	7,222,546	6,333,255	6,253,070
15.32 Manufacture of fruit and vegetable juice	t	532,473	498,940	566,739	548,514
15.52 Manufacture of ice cream	t	26,343	14,220	15,469	23,875
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	t	102	43	33	316
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	t	72,880	60,335	63,538	62,380
15.83 Manufacture of sugar	t	3,531	3,592	5,088	5,510
15.84 Manufacture of cocoa; chocolate and sugar confectionery	t	34,909	31,232	50,086	42,966
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	t	7,623	7,275	7,869	6,494
15.86 Processing of tea and coffee	t	340	641	843	649
15.87 Manufacture of condiments and seasonings	t	1,884	1,982	3,610	2,836
15.88 Manufacture of homogenized food preparations and dietetic food	t	2,717	2,971	3,588	5,426
15.89 Manufacture of other food products n.e.c.	t	107	95	98	88
15.91 Manufacture of distilled potable alcoholic beverages	t	8,536	8,038	8,685	8,366
15.92 Production of ethyl alcohol from fermented materials	hl	26,230	20,438	30,125	9,161
15.93 Manufacture of wines	hl	2,782,000	4,390,000	3,796,000	2,835,000
15.94 Manufacture of cider and other fruit wines	hl	1,075,715	913,237	475,573	1,028,176
15.95 Manufacture of other non-distilled fermented beverages		-	-	-	-
15.96 Manufacture of beer		-	-	-	-
15.97 Manufacture of malt	hl	659,829	622,181	637,894	680,217
15.98 Production of mineral waters and soft drinks	t	2,518	2,333	2,333	0
16 Manufacture of tobacco products	hl	1,272,986	1,276,690	1,393,663	1,700,516
15 Manufacture of food products and beverages	t	34,812	26,781	27,664	30,823

Source: State Statistical Office

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	28,054,373	23,826,691	27,466,401	28,518,524
15.32 Manufacture of fruit and vegetable juice	752,498	598,843	652,788	834,403
15.52 Manufacture of ice cream	27,317	8,647	6,456	52,788
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	2,805,451	2,797,434	2,739,905	2,689,508
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	490,160	388,463	575,906	624,044
15.83 Manufacture of sugar	909,677	564,621	1,116,404	866,249
15.84 Manufacture of cocoa; chocolate and sugar confectionery	1,207,667	1,114,928	1,229,619	891,855
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	16,491	30,246	39,945	30,304
15.86 Processing of tea and coffee	290,111	317,189	480,707	411,734
15.87 Manufacture of condiments and seasonings	175,625	188,947	221,687	333,792
15.88 Manufacture of homogenized food preparations and dietetic food	18,000	18,826	14,514	12,884
15.89 Manufacture of other food products n.e.c.	613,210	673,280	840,828	519,867
15.91 Manufacture of distilled potable alcoholic beverages	540,925	136,001	394,741	69,309
15.92 Production of ethyl alcohol from fermented materials	130,754	215,110	186,004	109,092
15.93 Manufacture of wines	6,522,645	1,981,189	2,904,062	3,577,513
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	-	-
15.96 Manufacture of beer	1,710,549	1,738,639	1,641,222	1,780,934
15.97 Manufacture of malt	47,842	44,327	44,327	0
15.98 Production of mineral waters and soft drinks	2,896,503	2,854,206	2,982,818	3,740,239
16 Manufacture of tobacco products	8,089,147	6,921,188	6,849,943	5,901,938
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	34,796,309	30,065,237	35,675,584	36,316,287
15.32 Manufacture of fruit and vegetable juice	861,988	649,792	825,419	1,033,606
15.52 Manufacture of ice cream	171,680	134,985	151,270	198,888
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	2,879,489	2,969,701	2,900,350	2,817,304
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	959,561	662,736	989,899	944,812
15.83 Manufacture of sugar	1,758,154	1,583,831	2,294,477	1,951,526
15.84 Manufacture of cocoa; chocolate and sugar confectionery	1,662,465	1,655,977	1,919,723	1,692,634
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	106,954	119,881	160,147	153,116
15.86 Processing of tea and coffee	694,367	761,762	986,736	1,025,075
15.87 Manufacture of condiments and seasonings	287,921	280,317	375,559	536,901
15.88 Manufacture of homogenized food preparations and dietetic food	62,805	81,878	90,227	78,084
15.89 Manufacture of other food products n.e.c.	688,446	792,066	1,048,162	761,404
15.91 Manufacture of distilled potable alcoholic beverages	586,357	112,310	413,969	127,398
15.92 Production of ethyl alcohol from fermented materials	79,738	114,102	43,937	27,487
15.93 Manufacture of wines	4,629,571	80,603	1,157,492	2,074,830
15.94 Manufacture of cider and other fruit wines	0	331	11	116
15.95 Manufacture of other non-distilled fermented beverages	1,464	772	2,092	1,434
15.96 Manufacture of beer	1,609,331	1,635,801	1,532,423	1,709,919
15.97 Manufacture of malt	171,068	161,305	202,587	174,263
15.98 Production of mineral waters and soft drinks	2,298,070	2,137,114	2,219,222	2,845,183
16 Manufacture of tobacco products	5,770,207	5,508,134	5,875,284	5,533,722
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio (In percent)				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	62.7	57.6	58.8	61.5
15.32 Manufacture of fruit and vegetable juice	76.7	83.2	76.2	79.5
15.52 Manufacture of ice cream	12.7	4.2	1.7	26.2
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	95.9	93.0	91.9	90.6
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	38.1	41.7	50.5	51.7
15.83 Manufacture of sugar	51.7	35.0	39.1	38.6
15.84 Manufacture of cocoa; chocolate and sugar confectionery	48.2	42.0	42.9	36.0
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	13.1	20.3	24.3	18.9
15.86 Processing of tea and coffee	36.2	38.3	43.8	32.7
15.87 Manufacture of condiments and seasonings	29.3	34.7	41.2	50.0
15.88 Manufacture of homogenized food preparations and dietetic food	27.7	22.9	15.7	11.6
15.89 Manufacture of other food products n.e.c.	60.2	63.1	65.1	43.6
15.91 Manufacture of distilled potable alcoholic beverages	81.8	22.8	81.0	32.4
15.92 Production of ethyl alcohol from fermented materials	76.3	85.1	82.4	76.4
15.93 Manufacture of wines	99.6	82.9	99.1	99.4
15.94 Manufacture of cider and other fruit wines	-	0.0	0.0	0.0
15.95 Manufacture of other non-distilled fermented beverages	0.0	0.0	0.0	-7.0
15.96 Manufacture of beer	98.5	98.0	94.9	92.9
15.97 Manufacture of malt	16.1	27.5	21.9	0.0
15.98 Production of mineral waters and soft drinks	89.8	91.3	88.4	88.1
16 Manufacture of tobacco products	96.9	93.2	96.2	95.3

Source: State Statistical Office

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU (In tons)				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	96,835	117,761	119,442	121,602
15.32 Manufacture of fruit and vegetable juice	1,056	533	819	1,155
15.52 Manufacture of ice cream	194	190	279	212
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	300	238	47	136
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	310	260	325	244
15.83 Manufacture of sugar	20,225	44,092	46,502	48,497
15.84 Manufacture of cocoa; chocolate and sugar confectionery	886	935	1,175	1,381
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	1,622	1,207	1,671	1,663
15.86 Processing of tea and coffee	1,069	1,123	1,667	1,730
15.87 Manufacture of condiments and seasonings	126	137	131	182
15.88 Manufacture of homogenized food preparations and dietetic food	87	129	144	87
15.89 Manufacture of other food products n.e.c.	541	782	882	927
15.91 Manufacture of distilled potable alcoholic beverages	283	210	212	391
15.92 Production of ethyl alcohol from fermented materials	92	265	52	78
15.93 Manufacture of wines	202	247	52	64
15.94 Manufacture of cider and other fruit wines	-	-	-	0
15.95 Manufacture of other non-distilled fermented beverages	4	2	10	11
15.96 Manufacture of beer	397	826	1,973	2,467
15.97 Manufacture of malt	2,519	2,995	2,005	1,630
15.98 Production of mineral waters and soft drinks	1,132	854	1,615	3,123
16 Manufacture of tobacco products	463	524	468	417

Source: State Statistical Office

Table: Imports from the EU
In thousands of Euro

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	60,671	63,084	71,398	72,214
15.32 Manufacture of fruit and vegetable juice	1,153	478	842	1,525
15.52 Manufacture of ice cream	377	377	498	416
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	477	390	81	272
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	442	432	650	515
15.83 Manufacture of sugar	3,959	10,399	10,017	9,477
15.84 Manufacture of cocoa; chocolate and sugar confectionery	2,040	2,358	3,738	3,964
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	793	630	857	932
15.86 Processing of tea and coffee	4,072	3,775	4,999	6,618
15.87 Manufacture of condiments and seasonings	268	184	233	365
15.88 Manufacture of homogenized food preparations and dietetic food	279	293	459	378
15.89 Manufacture of other food products n.e.c.	1,146	1,535	1,708	1,966
15.91 Manufacture of distilled potable alcoholic beverages	851	621	658	839
15.92 Production of ethyl alcohol from fermented materials	96	228	44	65
15.93 Manufacture of wines	169	146	76	76
15.94 Manufacture of cider and other fruit wines	-	-	-	1
15.95 Manufacture of other non-distilled fermented beverages	15	7	31	19
15.96 Manufacture of beer	233	405	1,048	1,307
15.97 Manufacture of malt	676	1,097	749	566
15.98 Production of mineral waters and soft drinks	504	345	698	1,172
16 Manufacture of tobacco products	711	1,101	1,154	1,042

Source: State Statistical Office

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	240,458	180,343	237,485	223,061
15.32 Manufacture of fruit and vegetable juice	2,544	1,990	3,020	1,964
15.52 Manufacture of ice cream	1,140	862	1,013	981
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	1,102	2,409	2,682	3,183
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	7,786	5,798	8,046	7,482
15.83 Manufacture of sugar	44,467	24,162	54,426	47,413
15.84 Manufacture of cocoa; chocolate and sugar confectionery	5,483	6,742	6,742	7,245
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	1,536	1,940	2,209	2,106
15.86 Processing of tea and coffee	1,190	1,340	1,827	1,875
15.87 Manufacture of condiments and seasonings	2,148	2,039	2,352	2,810
15.88 Manufacture of homogenized food preparations and dietetic food	209	364	419	348
15.89 Manufacture of other food products n.e.c.	1,320	1,590	2,195	2,464
15.91 Manufacture of distilled potable alcoholic beverages	571	513	422	365
15.92 Production of ethyl alcohol from fermented materials	338	53	93	51
15.93 Manufacture of wines	192	80	88	79
15.94 Manufacture of cider and other fruit wines	-	2	0	0
15.95 Manufacture of other non-distilled fermented beverages	6	3	3	5
15.96 Manufacture of beer	595	274	526	1,762
15.97 Manufacture of malt	6,007	2,644	5,865	7,233
15.98 Production of mineral waters and soft drinks	12,692	10,961	13,134	14,720
16 Manufacture of tobacco products	393	1,165	633	788

Source: State Statistical Office

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	153,352	146,993	169,608	156,344
15.32 Manufacture of fruit and vegetable juice	2,157	1,313	2,368	1,916
15.52 Manufacture of ice cream	2,092	1,745	1,942	1,978
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	1,452	3,012	3,773	4,038
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	9,359	5,911	7,380	6,931
15.83 Manufacture of sugar	10,196	6,968	13,083	10,390
15.84 Manufacture of cocoa; chocolate and sugar confectionery	12,152	13,415	14,224	13,789
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	738	939	1,130	1,094
15.86 Processing of tea and coffee	3,217	3,943	4,091	4,640
15.87 Manufacture of condiments and seasonings	3,083	2,823	3,386	4,013
15.88 Manufacture of homogenized food preparations and dietetic food	469	744	788	747
15.89 Manufacture of other food products n.e.c.	3,363	3,258	4,293	5,042
15.91 Manufacture of distilled potable alcoholic beverages	903	802	628	565
15.92 Production of ethyl alcohol from fermented materials	217	51	83	40
15.93 Manufacture of wines	152	80	86	114
15.94 Manufacture of cider and other fruit wines	-	5	0	1
15.95 Manufacture of other non-distilled fermented beverages	9	5	3	6
15.96 Manufacture of beer	158	120	240	680
15.97 Manufacture of malt	1,688	823	1,847	2,278
15.98 Production of mineral waters and soft drinks	3,349	2,722	3,541	4,344
16 Manufacture of tobacco products	2,235	5,047	2,607	3,153

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	Countries
15 Manufacture of food products and beverages	Serbia and Montenegro, Greece and Slovenia
15.32 Manufacture of fruit and vegetable juice	Serbia and Montenegro, Brazil and Germany
15.52 Manufacture of ice cream	Serbia and Montenegro, Turkey and Greece
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	Serbia and Montenegro, Bulgaria and Croatia
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	Serbia and Montenegro, Turkey and Croatia
15.83 Manufacture of sugar	Brazil, Greece and Austria
15.84 Manufacture of cocoa; chocolate and sugar confectionery	Serbia and Montenegro, Croatia and Austria
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	Serbia and Montenegro, Italy and Greece
15.86 Processing of tea and coffee	France, Germany and Croatia
15.87 Manufacture of condiments and seasonings	Croatia, Serbia and Montenegro and Slovenia
15.88 Manufacture of homogenized food preparations and dietetic food	Slovenia, Croatia and Austria
15.89 Manufacture of other food products n.e.c.	Croatia, Serbia and Montenegro and Slovenia
15.91 Manufacture of distilled potable alcoholic beverages	Croatia, United Kingdom and Greece
15.92 Production of ethyl alcohol from fermented materials	Serbia and Montenegro, Austria and Greece
15.93 Manufacture of wines	Serbia and Montenegro, Italy and Germany
15.94 Manufacture of cider and other fruit wines	Serbia and Montenegro, Germany and Croatia
15.95 Manufacture of other non-distilled fermented beverages	Italy, Croatia and United Kingdom
15.96 Manufacture of beer	Greece, Serbia and Montenegro and Slovenia
15.97 Manufacture of malt	Slovakia, Austria and Hungary
15.98 Production of mineral waters and soft drinks	Serbia and Montenegro, Austria and Croatia
16 Manufacture of tobacco products	Switzerland, Slovenia and Germany

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	62,032	62,308	63,369	53,791
15.32 Manufacture of fruit and vegetable juice	125	517	4	12
15.52 Manufacture of ice cream	-	-	-	-
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	0	0	1	12
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	0	16	319	528
15.83 Manufacture of sugar	6	25	5,433	3,210
15.84 Manufacture of cocoa; chocolate and sugar confectionery	266	304	295	360
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	-	-	-	-
15.86 Processing of tea and coffee	0	2	4	14
15.87 Manufacture of condiments and seasonings	547	755	479	385
15.88 Manufacture of homogenized food preparations and dietetic food	-	-	-	-
15.89 Manufacture of other food products n.e.c.	293	244	147	100
15.91 Manufacture of distilled potable alcoholic beverages	16	8	1	0
15.92 Production of ethyl alcohol from fermented materials	38	126	185	106
15.93 Manufacture of wines	51,900	49,208	44,773	34,992
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	-	-
15.96 Manufacture of beer	8	59	23	14
15.97 Manufacture of malt	-	-	-	-
15.98 Production of mineral waters and soft drinks	33	2,097	30	758
16 Manufacture of tobacco products	85	330	247	95
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	36,557	40,863	41,302	37,107
15.32 Manufacture of fruit and vegetable juice	85	344	3	21
15.52 Manufacture of ice cream	-	-	-	-
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	0	0	2	28
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	1	6	650	854
15.83 Manufacture of sugar	3	12	2,713	1,816
15.84 Manufacture of cocoa; chocolate and sugar confectionery	704	793	731	897
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	-	-	-	-
15.86 Processing of tea and coffee	1	5	14	28
15.87 Manufacture of condiments and seasonings	569	645	429	523
15.88 Manufacture of homogenized food preparations and dietetic food	-	-	-	-
15.89 Manufacture of other food products n.e.c.	689	534	371	217
15.91 Manufacture of distilled potable alcoholic beverages	20	11	2	1
15.92 Production of ethyl alcohol from fermented materials	35	91	144	68
15.93 Manufacture of wines	18,550	17,430	15,232	12,490
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	-	-
15.96 Manufacture of beer	5	17	15	8
15.97 Manufacture of malt	-	-	-	-
15.98 Production of mineral waters and soft drinks	6	296	8	378
16 Manufacture of tobacco products	38	1,082	337	50
Source: State Statistical Office				

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	108,059	106,630	109,739	103,537
15.32 Manufacture of fruit and vegetable juice	3,363	1,397	1,560	713
15.52 Manufacture of ice cream	53	30	34	3
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	392	621	997	1,418
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	1,181	1,102	1,007	1,412
15.83 Manufacture of sugar	31	628	2,001	155
15.84 Manufacture of cocoa; chocolate and sugar confectionery	3,561	3,927	3,546	3,045
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	67	101	10	16
15.86 Processing of tea and coffee	451	274	332	488
15.87 Manufacture of condiments and seasonings	1,327	1,455	2,346	1,738
15.88 Manufacture of homogenized food preparations and dietetic food	3	1	3	81
15.89 Manufacture of other food products n.e.c.	2,310	2,294	2,707	3,445
15.91 Manufacture of distilled potable alcoholic beverages	946	1,668	878	349
15.92 Production of ethyl alcohol from fermented materials	1,458	2,155	2,366	1,622
15.93 Manufacture of wines	31,006	31,913	28,008	20,256
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	-	3
15.96 Manufacture of beer	4,089	4,177	6,924	7,687
15.97 Manufacture of malt	1,202	-	-	-
15.98 Production of mineral waters and soft drinks	27,958	33,309	37,943	46,022
16 Manufacture of tobacco products	6,422	4,456	3,199	1,585

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	69,543	71,797	75,728	71,191
15.32 Manufacture of fruit and vegetable juice	1,422	628	661	297
15.52 Manufacture of ice cream	92	48	64	10
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	709	808	1,237	2,205
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	2,464	2,350	2,082	2,599
15.83 Manufacture of sugar	24	146	888	72
15.84 Manufacture of cocoa; chocolate and sugar confectionery	8,205	8,257	7,764	6,635
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	41	98	16	22
15.86 Processing of tea and coffee	632	413	811	1,271
15.87 Manufacture of condiments and seasonings	934	1,148	2,861	2,471
15.88 Manufacture of homogenized food preparations and dietetic food	10	2	6	62
15.89 Manufacture of other food products n.e.c.	2,595	2,311	2,223	2,849
15.91 Manufacture of distilled potable alcoholic beverages	985	1,802	969	456
15.92 Production of ethyl alcohol from fermented materials	1,119	1,848	2,308	1,369
15.93 Manufacture of wines	12,950	14,003	13,571	12,293
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	-	2
15.96 Manufacture of beer	2,052	2,196	3,058	3,137
15.97 Manufacture of malt	333	-	-	-
15.98 Production of mineral waters and soft drinks	13,701	16,588	18,919	19,876
16 Manufacture of tobacco products	41,088	30,206	20,163	10,149

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
15 Manufacture of food products and beverages	Serbia and Montenegro, Germany and Italy
15.32 Manufacture of fruit and vegetable juice	Serbia and Montenegro, Albania and Germany
15.52 Manufacture of ice cream	Serbia and Montenegro, Bosnia and Herzegovina and Albania
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	Serbia and Montenegro, Bosnia and Herzegovina and Croatia
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	Serbia and Montenegro, Croatia and Slovenia
15.83 Manufacture of sugar	Italy, Greece and Serbia and Montenegro
15.84 Manufacture of cocoa; chocolate and sugar confectionery	Serbia and Montenegro, Bosnia and Herzegovina and Croatia
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	Albania and Serbia and Montenegro
15.86 Processing of tea and coffee	Serbia and Montenegro, Bosnia and Herzegovina and Slovenia
15.87 Manufacture of condiments and seasonings	Turkey, Germany and Slovenia
15.88 Manufacture of homogenized food preparations and dietetic food	Serbia and Montenegro, Bosnia and Herzegovina and Croatia
15.89 Manufacture of other food products n.e.c.	Albania, Serbia and Montenegro and Greece
15.91 Manufacture of distilled potable alcoholic beverages	Serbia and Montenegro, Albania and Croatia
15.92 Production of ethyl alcohol from fermented materials	Albania, Serbia and Montenegro and Bulgaria
15.93 Manufacture of wines	Germany, Serbia and Montenegro and Slovenia
15.94 Manufacture of cider and other fruit wines	-
15.95 Manufacture of other non-distilled fermented beverages	Slovenia
15.96 Manufacture of beer	Serbia and Montenegro, Albania and Australia
15.97 Manufacture of malt	Bulgaria, Serbia and Montenegro and Albania
15.98 Production of mineral waters and soft drinks	Serbia and Montenegro and Albania
16 Manufacture of tobacco products	Serbia and Montenegro, Bosnia and Herzegovina and United States of America

Source: State Statistical Office

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio
In percent

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	23.0	28.8	26.0	23.3
15.32 Manufacture of fruit and vegetable juice	12.2	9.9	6.2	2.3
15.52 Manufacture of ice cream	20.5	33.9	60.2	1.1
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	1.5	1.8	2.8	5.1
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	30.5	36.9	28.9	33.9
15.83 Manufacture of sugar	0.2	1.7	19.7	13.3
15.84 Manufacture of cocoa; chocolate and sugar confectionery	44.8	49.4	42.1	51.8
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	15.0	19.7	2.4	4.4
15.86 Processing of tea and coffee	13.3	8.0	10.5	19.3
15.87 Manufacture of condiments and seasonings	51.9	57.8	90.8	55.3
15.88 Manufacture of homogenized food preparations and dietetic food	3.4	0.5	2.4	29.4
15.89 Manufacture of other food products n.e.c.	32.5	25.7	18.9	36.2
15.91 Manufacture of distilled potable alcoholic beverages	11.3	81.2	15.0	40.4
15.92 Production of ethyl alcohol from fermented materials	53.5	54.9	80.5	80.8
15.93 Manufacture of wines	29.3	96.6	60.5	42.5
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	-	-
15.96 Manufacture of beer	7.3	7.8	11.4	10.8
15.97 Manufacture of malt	42.3	-	-	-
15.98 Production of mineral waters and soft drinks	28.7	36.0	38.7	33.2
16 Manufacture of tobacco products	30.9	27.5	18.3	10.6

Source: State Statistical Office

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	46.3	53.7	53.5	49.2
15.32 Manufacture of fruit and vegetable juice	26.7	18.2	30.0	25.3
15.52 Manufacture of ice cream	548.9	1,495.0	2,303.3	277.9
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	4.2	7.4	8.6	9.8
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	121.3	99.5	85.0	73.1
15.83 Manufacture of sugar	94.6	187.2	126.2	140.9
15.84 Manufacture of cocoa; chocolate and sugar confectionery	71.3	86.1	89.1	122.2
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	563.6	316.0	303.3	409.7
15.86 Processing of tea and coffee	152.6	148.2	115.3	167.6
15.87 Manufacture of condiments and seasonings	115.9	97.0	99.5	80.4
15.88 Manufacture of homogenized food preparations and dietetic food	252.3	335.4	524.0	535.4
15.89 Manufacture of other food products n.e.c.	44.7	43.4	43.5	82.6
15.91 Manufacture of distilled potable alcoholic beverages	19.7	63.8	19.9	124.2
15.92 Production of ethyl alcohol from fermented materials	14.5	7.9	4.2	6.0
15.93 Manufacture of wines	0.3	0.7	0.3	0.3
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	-	-
15.96 Manufacture of beer	1.4	1.8	4.8	6.8
15.97 Manufacture of malt	299.9	263.9	357.0	na
15.98 Production of mineral waters and soft drinks	8.1	6.5	8.7	9.0
16 Manufacture of tobacco products	2.2	5.4	3.3	4.4
Source: State Statistical Office				

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	28,800	28,920	30,872	29,135
15.32 Manufacture of fruit and vegetable juice	266	370	330	776
15.52 Manufacture of ice cream	150	0	134	64
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	4,648	4,638	4,393	3,770
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	167	293	298	246
15.83 Manufacture of sugar	1,009	593	1,107	908
15.84 Manufacture of cocoa; chocolate and sugar confectionery	1,024	1,014	1,190	1,147
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	42	39	85	56
15.86 Processing of tea and coffee	1,115	989	1,024	1,086
15.87 Manufacture of condiments and seasonings	265	190	180	162
15.88 Manufacture of homogenized food preparations and dietetic food	0	0	0	1
15.89 Manufacture of other food products n.e.c.	593	680	719	583
15.91 Manufacture of distilled potable alcoholic beverages	102	84	144	169
15.92 Production of ethyl alcohol from fermented materials	0	-	-	-
15.93 Manufacture of wines	2,116	1,997	1,348	1,648
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	0	15
15.96 Manufacture of beer	4,055	3,957	4,567	4,809
15.97 Manufacture of malt	20	0	0	0
15.98 Production of mineral waters and soft drinks	752	690	642	652
16 Manufacture of tobacco products	10,089	8,880	8,747	6,693
Source: State Statistical Office				

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	10,152	10,184	10,985	9,706
15.32 Manufacture of fruit and vegetable juice	97	138	122	316
15.52 Manufacture of ice cream	95	-28	83	20
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	2,167	2,328	2,342	1,801
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	61	104	123	78
15.83 Manufacture of sugar	193	65	216	148
15.84 Manufacture of cocoa; chocolate and sugar confectionery	422	399	516	462
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	28	26	53	33
15.86 Processing of tea and coffee	439	370	368	379
15.87 Manufacture of condiments and seasonings	104	82	86	66
15.88 Manufacture of homogenized food preparations and dietetic food	0	0	0	1
15.89 Manufacture of other food products n.e.c.	238	255	240	171
15.91 Manufacture of distilled potable alcoholic beverages	52	31	62	51
15.92 Production of ethyl alcohol from fermented materials	0	-	-	-
15.93 Manufacture of wines	643	684	476	356
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	0	10
15.96 Manufacture of beer	1,619	1,521	1,916	1,970
15.97 Manufacture of malt	18	0	-3	0
15.98 Production of mineral waters and soft drinks	433	249	220	192
16 Manufacture of tobacco products	3,054	2,443	2,263	1,731

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	19.0	21.0	23.3	20.9
15.32 Manufacture of fruit and vegetable juice	0.1	0.1	0.1	0.2
15.52 Manufacture of ice cream	0.0	0.0	0.0	0.0
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	1.1	1.1	1.1	0.9
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	0.0	0.1	0.1	0.1
15.83 Manufacture of sugar	0.2	0.1	0.3	0.2
15.84 Manufacture of cocoa; chocolate and sugar confectionery	0.2	0.2	0.3	0.3
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	0.0	0.0	0.0	0.0
15.86 Processing of tea and coffee	0.3	0.2	0.2	0.3
15.87 Manufacture of condiments and seasonings	0.1	0.0	0.0	0.0
15.88 Manufacture of homogenized food preparations and dietetic food	0.0	0.0	0.0	0.0
15.89 Manufacture of other food products n.e.c.	0.1	0.2	0.2	0.1
15.91 Manufacture of distilled potable alcoholic beverages	0.0	0.0	0.0	0.0
15.92 Production of ethyl alcohol from fermented materials	0.0	-	-	-
15.93 Manufacture of wines	0.5	0.5	0.3	0.4
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	0.0	0.0
15.96 Manufacture of beer	1.0	0.9	1.1	1.1
15.97 Manufacture of malt	0.0	0.0	0.0	0.0
15.98 Production of mineral waters and soft drinks	0.2	0.2	0.2	0.2
16 Manufacture of tobacco products	6.7	6.4	6.6	4.8

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	19.1	20.0	22.9	18.5
15.32 Manufacture of fruit and vegetable juice	0.1	0.1	0.1	0.2
15.52 Manufacture of ice cream	0.0	0.0	0.0	0.0
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	1.1	1.2	1.2	0.9
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	0.0	0.1	0.1	0.0
15.83 Manufacture of sugar	0.1	0.0	0.1	0.1
15.84 Manufacture of cocoa; chocolate and sugar confectionery	0.2	0.2	0.3	0.2
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	0.0	0.0	0.0	0.0
15.86 Processing of tea and coffee	0.2	0.2	0.2	0.2
15.87 Manufacture of condiments and seasonings	0.1	0.0	0.0	0.0
15.88 Manufacture of homogenized food preparations and dietetic food	0.0	0.0	0.0	0.0
15.89 Manufacture of other food products n.e.c.	0.1	0.1	0.1	0.1
15.91 Manufacture of distilled potable alcoholic beverages	0.0	0.0	0.0	0.0
15.92 Production of ethyl alcohol from fermented materials	0.0	-	-	-
15.93 Manufacture of wines	0.3	0.4	0.2	0.2
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	0.0	0.0
15.96 Manufacture of beer	0.8	0.8	1.0	1.0
15.97 Manufacture of malt	0.0	0.0	0.0	0.0
15.98 Production of mineral waters and soft drinks	0.2	0.1	0.1	0.1
16 Manufacture of tobacco products	5.7	4.8	4.7	3.3

Source: State Statistical Office

b) Number of enterprises**Table: Number of Enterprises**

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	1,582	1,422	1,553	1,554
15.32 Manufacture of fruit and vegetable juice	14	51	82	83
15.52 Manufacture of ice cream	9	8	20	23
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	946	737	651	657
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	11	11	12	10
15.83 Manufacture of sugar	4	2	2	2
15.84 Manufacture of cocoa; chocolate and sugar confectionery	44	48	44	39
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	41	32	62	58
15.86 Processing of tea and coffee	44	41	43	42
15.87 Manufacture of condiments and seasonings	26	25	14	14
15.88 Manufacture of homogenized food preparations and dietetic food	1	2	2	3
15.89 Manufacture of other food products n.e.c.	8	12	18	20
15.91 Manufacture of distilled potable alcoholic beverages	11	10	11	11
15.92 Production of ethyl alcohol from fermented materials	2	-	-	-
15.93 Manufacture of wines	14	16	18	21
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	2	2
15.96 Manufacture of beer	4	4	4	3
15.97 Manufacture of malt	1	1	2	1
15.98 Production of mineral waters and soft drinks	73	66	67	65
16 Manufacture of tobacco products	31	33	37	32

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	20,096	19,889	19,684	16,938
15.32 Manufacture of fruit and vegetable juice	96	260	149	163
15.52 Manufacture of ice cream	77	76	84	88
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	6,268	5,886	5,838	5,372
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	264	305	300	290
15.83 Manufacture of sugar	505	420	476	413
15.84 Manufacture of cocoa; chocolate and sugar confectionery	941	950	976	891
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	112	101	156	123
15.86 Processing of tea and coffee	842	865	844	847
15.87 Manufacture of condiments and seasonings	151	143	82	82
15.88 Manufacture of homogenized food preparations and dietetic food	1	1	3	3
15.89 Manufacture of other food products n.e.c.	178	222	189	195
15.91 Manufacture of distilled potable alcoholic beverages	264	106	101	87
15.92 Production of ethyl alcohol from fermented materials	3	-	-	-
15.93 Manufacture of wines	1,262	1,189	1,184	650
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	24	29
15.96 Manufacture of beer	804	762	711	712
15.97 Manufacture of malt	129	122	119	1
15.98 Production of mineral waters and soft drinks	336	311	331	330
16 Manufacture of tobacco products	6,112	5,667	5,021	4,828
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	12.5	12.8	13.4	12.8
15.32 Manufacture of fruit and vegetable juice	0.0	0.1	0.0	0.0
15.52 Manufacture of ice cream	0.0	0.0	0.0	0.0
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	1.3	1.2	1.2	1.2
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	0.1	0.1	0.1	0.1
15.83 Manufacture of sugar	0.1	0.1	0.1	0.1
15.84 Manufacture of cocoa; chocolate and sugar confectionery	0.2	0.2	0.2	0.2
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	0.0	0.0	0.0	0.0
15.86 Processing of tea and coffee	0.2	0.2	0.2	0.2
15.87 Manufacture of condiments and seasonings	0.0	0.0	0.0	0.0
15.88 Manufacture of homogenized food preparations and dietetic food	0.0	0.0	0.0	0.0
15.89 Manufacture of other food products n.e.c.	0.0	0.0	0.0	0.0
15.91 Manufacture of distilled potable alcoholic beverages	0.1	0.0	0.0	0.0
15.92 Production of ethyl alcohol from fermented materials	0.0	-	-	-
15.93 Manufacture of wines	0.3	0.2	0.2	0.1
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	0.0	0.0
15.96 Manufacture of beer	0.2	0.2	0.1	0.2
15.97 Manufacture of malt	0.0	0.0	0.0	0.0
15.98 Production of mineral waters and soft drinks	0.1	0.1	0.1	0.1
16 Manufacture of tobacco products	3.8	3.7	3.4	3.6
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
15 Manufacture of food products and beverages	S	8,192	1,535	8,574	1,371	9,160	1,498	7,837	1,494
	M	6,254	35	6,151	38	2,788	19	5,823	39
	B	14,355	12	14,195	13	18,924	36	15,476	21
15.32 Manufacture of fruit and vegetable juice	S	266	14	370	51	330	82	444	82
	M	-	-	-	-	-	-	332	1
	B	-	-	-	-	-	-	-	-
15.52 Manufacture of ice cream	S	150	9	24	8	134	20	64	23
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	S	2,456	943	2,563	734	2,669	649	2,170	654
	M	200	2	183	2	-	-	199	2
	B	1,993	1	1,893	1	1,724	2	1,401	1
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	S	10	10	126	10	123	11	131	9
	M	157	1	167	1	-	-	-	-
	B	-	-	-	-	175	1	115	1
15.83 Manufacture of sugar	S	3	3	1	1	1	1	1	1
	M	-	-	-	-	-	-	-	-
	B	1,006	1	593	1	1,106	1	907	1
15.84 Manufacture of cocoa; chocolate and sugar confectionery	S	283	43	279	46	369	42	232	35
	M	-	-	43	1	66	1	113	2
	B	741	1	692	1	755	1	802	2
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	S	42	41	39	32	85	62	56	58
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
15.86 Processing of tea and coffee	S	410	43	354	40	282	41	405	40
	M	-	-	-	-	187	1	161	1
	B	705	1	634	1	555	1	520	1
15.87 Manufacture of condiments and seasonings	S	198	25	190	25	180	14	89	13
	M	67	1	-	-	-	-	73	1
	B	-	-	-	-	-	-	-	-
15.88 Manufacture of homogenized food preparations	S	0	1	0	2	0	2	1	3
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-

Chapter 15 Industrial policy

and dietetic food									
15.89	S	44	7	96	11	145	17	80	19
Manufacture of other food products n.e.c.	M	548	1	-	-	-	-	-	-
	B	-	-	583	1	574	1	504	1
15.91	S	10	8	10	9	144	11	169	11
Manufacture of distilled potable alcoholic beverages	M	92	3	75	1	-	-	-	-
	B	-	-	-	-	-	-	-	-
15.92 Production of ethyl alcohol from fermented materials	S	1	2	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
15.93	S	75	10	145	11	103	13	188	17
Manufacture of wines	M	884	3	815	4	32	2	249	1
	B	1,157	1	1,037	1	1,214	3	1,211	3
15.94	S	-	-	-	-	-	-	-	-
Manufacture of cider and other fruit wines	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
15.95	S	-	-	-	-	0	2	15	2
Manufacture of other non-distilled fermented beverages	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
15.96	S	8	1	1	1	0	1	-	-
Manufacture of beer	M	679	2	546	2	37	1	97	1
	B	3,368	1	3,409	1	4,530	2	4,712	2
15.97	S	20	1	2	1	-2	2	0	1
Manufacture of malt	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
15.98 Production of mineral waters and soft drinks	S	498	71	277	63	186	64	177	62
	M	254	2	413	3	375	2	475	3
	B	-	-	-	-	81	1	-	-
16 Manufacture of tobacco products	S	184	9	159	9	239	16	217	17
	M	2,492	16	2,321	17	100	1	1,463	10
	B	7,413	6	6,400	7	8,408	20	5,012	5

Source: State Statistical Office
S-Small M-Medium B-Big

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	1,062,056	799,674	2,030,648	1,716,763
15.32 Manufacture of fruit and vegetable juice	-	7,647	12,232	37,897
15.52 Manufacture of ice cream	30,932	-	-	-
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	61,670	60,398	48,179	59,361
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	33,759	-	21,648	6,329
15.83 Manufacture of sugar	27,863	1,426	5,510	15,579
15.84 Manufacture of cocoa; chocolate and sugar confectionery	41,252	26,700	38,216	15,893
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	4,816	-	99	30
15.86 Processing of tea and coffee	39,618	6,529	12,036	7,230
15.87 Manufacture of condiments and seasonings	504	836	1,759	10,962
15.88 Manufacture of homogenized food preparations and dietetic food	-	-	-	-
15.89 Manufacture of other food products n.e.c.	38,602	22,136	31,335	8,030
15.91 Manufacture of distilled potable alcoholic beverages	-	-	-	-
15.92 Production of ethyl alcohol from fermented materials	-	-	-	-
15.93 Manufacture of wines	42,175	62,949	16,426	29,811
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	-	-
15.96 Manufacture of beer	437,790	292,603	1,344,507	1,147,642
15.97 Manufacture of malt	-	-	-	-
15.98 Production of mineral waters and soft drinks	8,804	5,776	8,792	23,247
16 Manufacture of tobacco products	188,339	389,238	136,042	225,389

Source: State Statistical Office

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	18,114,755	19,046,948	21,735,066	21,663,918
15.32 Manufacture of fruit and vegetable juice	174,082	190,808	197,932	294,393
15.52 Manufacture of ice cream	86,741	149,205	154,105	237,109
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	2,681,836	2,452,964	2,876,236	2,956,377
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	80,195	138,597	101,102	74,211
15.83 Manufacture of sugar	340,884	328,706	323,099	320,473
15.84 Manufacture of cocoa; chocolate and sugar confectionery	400,563	414,932	605,725	607,487
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	33,172	30,725	28,867	16,352
15.86 Processing of tea and coffee	1,627,790	1,627,196	1,621,780	1,564,620
15.87 Manufacture of condiments and seasonings	78,356	79,862	60,761	69,031
15.88 Manufacture of homogenized food preparations and dietetic food	362	469	310	264
15.89 Manufacture of other food products n.e.c.	266,061	288,562	294,642	275,234
15.91 Manufacture of distilled potable alcoholic beverages	326,348	85,919	83,256	53,955
15.92 Production of ethyl alcohol from fermented materials	158			
15.93 Manufacture of wines	1,190,088	1,232,372	1,250,357	999,199
15.94 Manufacture of cider and other fruit wines				
15.95 Manufacture of other non-distilled fermented beverages			235	7,086
15.96 Manufacture of beer	2,902,447	3,849,052	5,038,180	5,692,873
15.97 Manufacture of malt	17,615	16,547	16,150	
15.98 Production of mineral waters and soft drinks	359,423	402,533	399,338	438,469
16 Manufacture of tobacco products	4,579,454	4,469,102	4,245,080	3,449,869

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments

In thousands of US Dollars

NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	7,854	14,830	6,498	1,607
15.32 Manufacture of fruit and vegetable juice	-	-	-	821
15.52 Manufacture of ice cream	397	282	209	711
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	9	14,115	9	59
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	-	-	-	-
15.83 Manufacture of sugar	229	-	2,397	-
15.84 Manufacture of cocoa; chocolate and sugar confectionery	-	-	2	-
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	-	-	-	-
15.86 Processing of tea and coffee	47	109	189	4
15.87 Manufacture of condiments and seasonings	-	8	5	-
15.88 Manufacture of homogenized food preparations and dietetic food	-	-	-	-
15.89 Manufacture of other food products n.e.c.	48	9	-	9
15.91 Manufacture of distilled potable alcoholic beverages	-	-	-	4
15.92 Production of ethyl alcohol from fermented materials	-	-	-	-
15.93 Manufacture of wines	-	-	-	-
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	-	-
15.96 Manufacture of beer	3,254	-	3,610	-
15.97 Manufacture of malt	-	-	-	-
15.98 Production of mineral waters and soft drinks	4	38	35	-
16 Manufacture of tobacco products	445	265	56	1,932

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises

NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
15 Manufacture of food products and beverages	PIVARA SKOPJE	4,023,601	416	Private
	MLEKARA	1,861,435	175	Private
	ZITO LUKS	1,400,543	1,584	Private
	VINARSKA VIZBA TIKVES	1,171,090	380	Private
	4 NOEMVRI	906,867	412	Private
	AGROPLOD	519,899	624	Private
	EVROPA	699,991	538	Private
	ZITO BITOLA	624,666	531	Private
	VINOJUG	123,551**	504**	Private
	VITAMINKA	880,371	398	Private
15.32 Manufacture of fruit and vegetable juice	VIVAKS	332,221	24	Private
	GUDALAT	280,144	36	Private
15.52 Manufacture of ice cream	CERMAT	46,121	10	Private
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	ZITO LUKS	1,400,543	1,584	Private
	ZITO LEB	105,602	106	Private
	DIME	93,859	59	Private

	ZITO LEB	71,592	64	Private
	ZLATEN KLAS	70,571	37	Private
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	MILIKEKS	114,715	202	Private
	MULTIPROM	114,209	41	Private
	INTERSTAK L.T.D.	11,498	15	Private
	EVROPA	699,991	538	Private
	4 NOEMVRI	906,867	412	Private
15.83 Manufacture of sugar				
15.84 Manufacture of cocoa; chocolate and sugar confectionery	EVROPA	699,991	538	Private
	STRATUS	29,093	34	Private
	EVROPA STIP	83,575	99	Private
	MULTIKREM	64,912	54	Private
	STELLA	42,402	22	Private
	SWISS LION*	153,435	29	Private
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	ILINGE 2	23,174	29	Private
	ZITO SKOPJE*	127,789	275	Private
15.86 Processing of tea and coffee	AGROPLOD	519,899	624	Private
	PASCALINE COMPANY	161,214	24	Private
	RIO	63,201	26	Private
15.87 Manufacture of condiments and seasonings	MAKS	73,214	26	Private
	DAMEKS	57,305	21	Private
15.88 Manufacture of homogenized food preparations and dietetic food	-	-	-	-
15.89 Manufacture of other food products n.e.c.	ALCOHOL AND YEAST FACTORY	503,524	141	Private
	VITAMINKA			
15.91 Manufacture of distilled potable alcoholic beverages	GROZD	157,890	55	Private
15.92 Production of ethyl alcohol from fermented materials	ALCOHOL AND YEAST FACTORY*	503,524	141	Private
15.93 Manufacture of wines	TIKVES	1,171,090	380	Private
	POVARDARIE	249,178	135	Private
	BOVIN	62,058	11	Private
	VINOJUG	123,551**	504**	Private
	BILJANA	39,769	84	Private
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	DOBRA VODA	14,637	23	Private
15.96 Manufacture of beer	PIVARA SKOPJE	4,023,601	416	Private
	PRILEPSKA PIVARNICA	688,589	226	Private
	BITOLSKA PIVARA	97,065	70	Private
15.97 Manufacture of malt	PIVSKI SLAD	-2,476	93	Public
15.98 Production of mineral waters and soft drinks	BAS TUTI FRUT	226,904	26	Private
	INOSPEKTAR	191,876	48	Private
	SLOVIN JUGOKOKTA	56,175	62	Private
	JUICEFRUIT	18,482	16	Private
16 Manufacture of tobacco products	SKOPJE TUTUNSKI KOMBINAT	1,546,861	247	Private
	SOCOMAK BITOLA	1,038,481	467	Private
	TOBACCO	1,031,195	986	Private
	CIGARETTES	873,587	809	Private
	JAKA TABAK	682,501	297	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	505.2	512.0	558.1	573.1
15.32 Manufacture of fruit and vegetable juice	1,004.4	529.4	821.2	1,935.4
15.52 Manufacture of ice cream	1,232.4	-361.9	984.1	229.4
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	345.8	395.4	401.2	335.3
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	230.8	341.8	409.1	269.1
15.83 Manufacture of sugar	381.2	154.0	452.5	357.5
15.84 Manufacture of cocoa; chocolate and sugar confectionery	448.4	419.6	529.0	519.2
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	251.0	252.6	338.7	271.4
15.86 Processing of tea and coffee	521.2	427.5	435.8	447.9
15.87 Manufacture of condiments and seasonings	689.4	575.4	1,053.4	807.6
15.88 Manufacture of homogenized food preparations and dietetic food	61.8	190.8	34.9	338.3
15.89 Manufacture of other food products n.e.c.	1,342.2	1,148.8	1,267.7	878.2
15.91 Manufacture of distilled potable alcoholic beverages	197.3	291.9	612.5	585.0
15.92 Production of ethyl alcohol from fermented materials	95.1	-	-	-
15.93 Manufacture of wines	509.1	575.4	401.9	548.1
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	10.2	326.2
15.96 Manufacture of beer	2,012.4	1,996.6	2,694.8	2,767.4
15.97 Manufacture of malt	139.2	3.1	-25.4	163.7
15.98 Production of mineral waters and soft drinks	1,286.3	799.2	666.0	581.8
16 Manufacture of tobacco products	499.7	431.1	450.6	358.6
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	6,695	7,092	7,121	6,121
15.32 Manufacture of fruit and vegetable juice	68	86	75	134
15.52 Manufacture of ice cream	53	20	38	30
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	1,372	1,545	1,411	1,237
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	68	90	89	71
15.83 Manufacture of sugar	154	123	141	116
15.84 Manufacture of cocoa; chocolate and sugar confectionery	376	368	400	348
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	11	14	26	20
15.86 Processing of tea and coffee	264	264	257	232
15.87 Manufacture of condiments and seasonings	73	63	56	44
15.88 Manufacture of homogenized food preparations and dietetic food	0	0	0	1
15.89 Manufacture of other food products n.e.c.	115	135	124	116
15.91 Manufacture of distilled potable alcoholic beverages	77	47	55	52
15.92 Production of ethyl alcohol from fermented materials	1	-	-	-
15.93 Manufacture of wines	331	464	443	241
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	0	9
15.96 Manufacture of beer	535	522	528	545
15.97 Manufacture of malt	22	19	8	0
15.98 Production of mineral waters and soft drinks	177	151	145	127
16 Manufacture of tobacco products	1,914	1,728	1,628	1,564
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
15 Manufacture of food products and beverages	18,648	18,736	19,887	19,429
15.32 Manufacture of fruit and vegetable juice	169	232	208	460
15.52 Manufacture of ice cream	55	52	51	44
15.81 Manufacture of bread; manufacture of fresh pastry goods and cakes	2,481	2,311	2,051	1,969
15.82 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	106	189	176	168
15.83 Manufacture of sugar	816	528	891	760
15.84 Manufacture of cocoa; chocolate and sugar confectionery	603	615	674	684
15.85 Manufacture of macaroni, noodles, couscous and similar farinaceous products	14	14	32	22
15.86 Processing of tea and coffee	676	619	656	706
15.87 Manufacture of condiments and seasonings	161	107	93	96
15.88 Manufacture of homogenized food preparations and dietetic food	0	0	0	0
15.89 Manufacture of other food products n.e.c.	354	425	478	412
15.91 Manufacture of distilled potable alcoholic beverages	50	53	82	118
15.92 Production of ethyl alcohol from fermented materials	1	-	-	-
15.93 Manufacture of wines	1,473	1,313	872	1,292
15.94 Manufacture of cider and other fruit wines	-	-	-	-
15.95 Manufacture of other non-distilled fermented beverages	-	-	0	6
15.96 Manufacture of beer	2,436	2,435	2,651	2,839
15.97 Manufacture of malt	2	2	1	0
15.98 Production of mineral waters and soft drinks	319	442	421	460
16 Manufacture of tobacco products	7,035	6,437	6,484	4,961
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#) , point 4.

Main laws and bylaws in force– Food industry

1. Rulebook on the conditions and manner of examination of food products and assets of general use during their production, and the manner of keeping evidence on the performed research ("Official Gazette of SRM" nr. 20/76).
2. Rulebook on the methods of taking samples for performing physical and chemical analysis on alcoholic drinks ("Official gazette of SFRY" nr. 70/87)
3. Rulebook on the methods and physical and chemical analysis for quality control of wheat, mill and baking products, noodles and fast frozen doughs ("Official Gazette of SFRY" nr. 74/88)
4. Rulebook on the methods of taking samples and the methods of chemical and physical analysis of milk and dairy products ("Official Gazette of SFRY" nr. 32/83).
5. Rulebook on the general minimum technical conditions of the premises, offices and production equipment, storing, keeping and turnover of food products and assets for general use ("Official Gazette of SRM" nr. 17/79).
6. Rulebook on the methods of taking samples for performing chemical and physical analysis for quality control of the fruit and vegetable products ("Official Gazette of SFRY" nr. 29/83).
7. Rulebook on the methods of taking samples and methods of chemical and physical analysis on the quality of vinegar and dissolved vinegar acid ("Official Gazette of SFRY" nr. 26/56).
8. Rulebook on the methods of taking parts and performing of chemical and physical analysis of protein products in the food industry ("Official Gazette of SFRY" 41/85).

9. Rulebook on the methods of taking parts and methods of performing chemical and physical analysis of cocoa – grain, cocoa products, products similar to chocolates, candy products, cream products, biscuits and products similar to biscuits. (“Official Gazette of SFRY” nr. 41/87).
10. Rulebook on the conditions in respect with the microbiology accuracy of the food stuffs put on sale (“Official Gazette of SFRY” nr. 45/83, 43/89).
11. Rulebook on the conditions in respect with the health accuracy of the dietary food stuffs put on sale (“Official Gazette of SFRY” nr. 4/85, 70/86, 69/91).
12. Rulebook on the quantity of pesticides and other toxic matters, hormones, antibiotics and micotoxines that may be found in the food stuffs (“Official Gazette of SFRY” 59/83, 33/87, 79/87).
13. Rulebook on the conditions under which food stuffs and assets for general use canned by means of radiation may be put on sale (“Official Gazette of SFRY” nr. 68/54)
14. Rulebook on the conditions under which drinking water, food stuffs and assets for general use containing radioactive matters that exceed the determined levels of activity may be put on sale. (“Official Gazette of SFRY” nr. 23/86).
15. Rulebook on security of drinking water (“Official Gazette of RM” nr. 5/04).
16. Rulebook on the quality of the natural mineral water (“Official Gazette of SFRY” nr. 58/78).
17. Rulebook on quality of beverages.
 - Rulebook on the vine quality (“Official Gazette of SFRY” nr.17/81 and 14/89).
 - Rulebook on the quality of alcoholic drinks (“Official gazette of SFRY” nr.16/88 and 64/88).
 - Rulebook on the quality of alcoholic and non-alcoholic drinks, ice and vinegar (“Official Gazette of SFRY” nr.31/63, 25/65, 45/71, 48/71, 25/75, 18/77, 13/78, 53/78, 2/82, 34/82, 52/83, 58/83, 16/88, 24/89 and 91/91).
 - Rulebook on the quality of refreshment non-alcoholic drinks (“Official Gazette of SFRY” nr.52/83 and 56/83).
 - Rulebook on the quality of beer (“Official Gazette of SFRY” nr.91/91).
 - Rulebook on the quality of the natural mineral water (“Official Gazette of SFRY” nr.57/78).
 - Rulebook on the methods of taking samples for performing chemical and physical analysis on alcoholic drinks (“Official Gazette of SFRY” nr. 70/87).
18. Rulebook on the quality of coffee and coffee substitutes:
 - Rulebook on the quality of coffee and coffee substitutes (“Official Gazette of SFRY” nr. 55/89, 57/89 and 36/91).
 - Rulebook on the quality of coffee and coffee substitutes, tea, condiments, baking yeast, backing powder, pudding powder, dietary products and additives (“Official Gazette of SFRY” nr. 22/63, 2/64, 25/65, 50/66, 10/67, 54/67, 15/78, 53/69, 27/71, 8/75, 58/77, 60/77, 20/80, 41/80, 45/81, 52/86, 33/89 and 13/78).
19. Rulebook on the quality of corn and baking products:
 - Rulebook on the quality of corn, mill and baking products, noodles and quick frozen doughs (“Official Gazette of SFRY “ nr. 53/83 and 57/88).
 - Rulebook on the quality of the baking yeast (“Official Gazette of SFRY” nr. 32/87).
 - Rulebook on the quality of biscuits and products similar to biscuits (“Official Gazette of SFRY” nr. 68/78 and 63/79).

- Rulebook on the methods for physical and chemical analysis for quality control of corn, mill and baking products, pasta and fast frozen doughs. ("Official Gazette of SFRY" nr. 74/88).
- Order on the manner of grinding of the wheat ("Official Gazette of SFRY" nr. 62/82 and 50/82).

20. Rulebook on the quality of edible oils:

- Rulebook on the quality of fat and oil of vegetable origin, margarine, mayonnaise, sugar and other saccharides, sweets, honey, cocoa products and products similar to chocolates ("Official Gazette of SFRY" nr. 19/63, 2/64, 27/71, 54/76, 59/77 and 13/78).
- Rulebook on the quality of the edible oils and oils of vegetable origin as well as on margarine, mayonnaise and similar products ("Official Gazette of SFRY" nr. 27/85 and 51/91).
- Rulebook on the quality of edible olive oil and mixed olive oil ("Official Gazette of SFRY" nr. 51/91).

21. Rulebooks on the quality of milk and dairy products:

- Rulebook on the quality of milk, dairy products, curdles and pure cultures ("Official Gazette of SFRY" nr. 51/82 and 39/89).
- Rulebook on the methods of taking samples and methods of chemical and physical analysis of milk and dairy products ("Official Gazette of SFRY" nr. 32/83).

22. Rulebooks on the quality of eggs and egg products:

- Rulebook on quality of eggs and egg products ("Official Gazette" nr. 55/89).
- Rulebook on the methods of examination of the quality of eggs and egg products ("Official Gazette" nr. 32/87).

23. Rulebook on the quality of honey and other bee products and the methods of quality control of honey and other bee products ("Official Gazette of SFRY" nr. 04/85).

24. Rulebook on the quality of additives to food products ("Official Gazette of SFRY" nr. 39/89 and 22/90).

25. Rulebooks on the quality of cocoa and cocoa products:

- Rulebook on the quality of cocoa products, products similar to chocolate, cream products and candy products ("Official Gazette of SFRY" nr. 23/88, 63/88, 36/89 and 21/90).
- Rulebook on the methods of taking parts and methods of performing chemical and physical analysis of cocoa – grain, cocoa products, products similar to chocolates, candy products, cream products, biscuits and products similar to biscuits ("Official Gazette of SFRY" nr. 41/87).

26. Rulebooks on the quality of meat and meat products:

- Rulebook on the quality of slaughtered pigs and categorization of pork meat ("Official Gazette of SFRY" nr. 2/85, 12/85 and 24/86).
- Rulebook on the quality of poultry meat ("Official Gazette of SFRY" nr. 1/81 and 15/88).
- Rulebook on the quality of meat from live-stock for slaughtering, poultry and game ("Official Gazette of SFRY" nr. 34/74, 26/75 and 13/78).
- Rulebook on the quality of meat products ("Official Gazette of SFRY" nr. 29/74, 41/80 and 13/78).
- Rulebook on the quality of meat products from poultry. ("Official Gazette of SFRY" nr. 55/91).

27. Rulebook on the quality of condiments, condiment extracts and mixtures of condiments ("Official Gazette of SFRY" nr. 4/85 and 84/87).

28. Rulebooks on the quality of fruit, vegetables and mushrooms:

- Rulebook on the quality of fruit, vegetables and mushrooms ("Official Gazette of SFRY" nr. 29/79 and 53/87).
- Rulebook on the quality of fruit, vegetables and mushroom products and pectine stuff ("Official Gazette of SFRY" nr. 1/79, 20/82, 39/89 and 74/90).
- Rulebook on the methods of taking samples and performing chemical and physical analysis for quality control of the fruit and vegetable products ("Official Gazette of SFRY" nr. 29/83).
- Rulebook on the quality of edible mushrooms and products from edible mushrooms ("Official Gazette of SFRY" nr. 46/91 and 64/91).

29. Rulebook on quality of soups, soup concentrates, and concentrates for sauses and food supplements ("Official Gazette of SFRY" nr. 5/82 and 58/85).

30. Rulebooks on the quality of feedingstuff:

- Rulebook on the quality of feedingstuff("Official Gazette of SFRY" nr.15/89 and 54/90).
- Rulebook on the methods of taking samples and methods for physical, chemical, and microbiology analysis of the feedingstuff. ("Official Gazette of SFRY" nr. 15/87).

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

In spite of the preferential tariff quota that are determined with the agreements for free trade, there are no other trade measures that are applied to the production of food, beverages and tobacco products. Further below, you may find the stated quantities of preferential tariff quota for food products set forth in section [07 II](#), Agriculture.

Preferential customs quota

Legal base

Law on ratification of the Protocol for entrance of the Republic of Macedonia in the World Trade Organization ("Official Gazette of RM" nr. 7/2003).

Customs Law ("Official Gazette of RM" nr. 23/2003, 69/04).

Decision on harmonization and modification of the Customs tariffs for the year 2005 ("Official Gazette of RM" nr. 86/2004).

Decision on the way and procedure for distribution of goods within tariff quota("Official Gazette of RM" No. 29/2003)

Tariffs and regional differentiation.

The custom fees, in accordance with the principle of the most favourable nations (MFN custom fees), the decreased tariff rates, as well as the preferential tariff quota are determined on the basis of the obligations with the WTO, The Agreement for Stabilization and Association with the EU and the Free Trade Agreements with the Republic of Croatia, Republic of Bulgaria, Republic of Romania, Republic of Albania, Serbia and Montenegro, Bosnia and Hercegovina, Ukraine, Republic of Turkey, and the EFTA states(In the Free Trade Agreement with Bosnia and Hercegovina import tariff quota and export tariff quota are not assumed). From 01/01/2005 Free Trade Agreement between the Republic of Macedonia and the Republic of Moldova is in force.

I. IMPORT TARIFF QUOTA for the year 2004

Tariff number, name, country	Tariff number	Quantity in tons	Preferential rate of the customs fee in the scope of the quota
0713 – Dried legumes in grain			
Turkey	0713 40 00 90	500	0%
0806 - Grapes, dried			
Turkey	0806 20	250	0%
1101 – Flour			
Croatia	1101 00	200	0%
Serbia and Montenegro	1101 00	5000	0%
1512 – Sunflower oils			
Croatia	1512 19	200	0%
Serbia and Montenegro	1512 19 90 10	3000	0%
1517 – Margarine			
Bulgaria	1517 10	50	10%
1601 – Sausages			
EU	1601 00	2740	0%
Croatia	1601 00	400	0%
Bulgaria	1601 00	100	10%
Albania	1601 00	150	0%
Serbia and Montenegro	1601 00	1500	0%
1602 – Meat products			
EU	1602	1380	0%
Croatia	1602	1100	0%
Bulgaria	1602	100	20%
Albania	1602	100	0%
1604 – Canned fish and fish products			
Turkey	1604 14; 1604 20 70 00	350	0%
1702 – Glucose and fructose			
Bulgaria	1702 30; 1702 40; 1702 60	100	0%
1704 - Sugar products (white chocolate)			
EU	1704 90	140	0%
Croatia	1704 90	300	0%
Bulgaria	1704 90	250	35%
Ukraine	1704	100	0%
1806 - Chocolate and other food products that contain cocoa			
EU	1806 00	320	0%
Bulgaria	1806 00	200	35%
Ukraine	1806 00	100	0%
Romania	1806 31 ; 1806 32; 1806 90; 1905 31	50	0%
Croatia	1806	550	0%
1902 – Pasta			
Bulgaria	1902 00	100	25%

1905 – Sweet biscuits; waffle and wafer			
EU	1905 31, 1905 32	330	0%
	1905 90	150	0%
Croatia	1905 90	110	0%
Bulgaria	1905 00	100	25%
Ukraine	1905 31, 1905 32	50	0%
2003 - Mushrooms, preserved			
Bulgaria	2003 10	50	20%
2005 – Olives, preserved			
EU	2005 70	1600	0%
Turkey	2005 70	700	0%
2007- Fruit purée, jams, fruit jelly, marmalades			
Bulgaria	2007 99	50	28%
Ukraine	2007 99	100	0%
2008 – Fruit, nuts and other kinds of edible parts of plants, preserved			
Turkey	2008	200	0%
2009 – Fruit juices			
EU	2009	300	0%
Bulgaria	2009 80, 2009 90	200	25%
2101- Extracts, essential acids, coffee concentrates			
Romania	2101 11; 2101 12	5	0%
Switzerland	2101 11; 2101 12; 2101 20	Unlimited	25% ad valorem
2103 – Sauces and preparations for sauces and mustard			
EU	2103 30 90 00	200	0%
Croatia	2103 90 90	200	0%
Romania	2103 90 90; 2104 10	10	50% од МФН
2104 - Soups and stews			
Croatia	2104 10	450	0%
2105 – Ice-cream			
Bulgaria	2105 00	100	35%
2106 – Food products not mentioned or encompassed on other places			
Croatia	2106	550	0%
2201- Water, including the natural mineral water and carbonated water (without adding of sugar)			
Bulgaria	2201	300	12%
Ukraine	2201	100	0%
2202 – Carbonated water, non-alcoholic beverages (with added sugar)			
Bulgaria	2202	100	25%
Croatia	2202 90	300	0%
2209 – Vinegar and vinegar substitute			
Croatia	2209 00	500	0%
Ukraine	2209 00	100	0%
2402 – Cigarettes			
Croatia	2402 20	30	0%
Serbia and Montenegro	240220	250	0%

II. EXPORT TARIFF QUOTA for the year 2004

Tariff number, Name, Country	Tariff number	Quantities In tons	Preferential rates of custom fees in the scope of the quota
0712 – Vegetables, dried			
Bulgaria	0712	70	0%
Ukraine	0712	500	0%
Turkey	0712 20; 0712 90	300	50% од МФН
0713 – Legumes, dried			
Bulgaria	0713 33 90	100	0%
Turkey	0713 33 90	500	0%
0813 - Peaches, including nectarines			
Bulgaria	0813 40	60	0%
Ukraine	0813	200	0%
0904 - Peppers, dried, cut and minced peppers			
Ukraine	0904	500	0%
Turkey	0904 20	100	0%
1101- Wheat flour			
Croatia	1101 00	200	0%
1512 – Other edible oils			
Croatia	1512 19	200	0%
1517 – Margarine			
Bulgaria	1517 10	50	10%
1601 – Sausages			
Croatia	1601 00	150	0%
Bulgaria	1601 00	100	10%
Albania	1601 00	150	0%
1602 – Other ready-made or preserved meat products			
Croatia	1602	150	0%
Bulgaria	1602	100	20%
Albania	1602	100	0%
1704- Other sugar products without cocoa			
Albania	1704	200	0%
Croatia	1704 90	200	0%
Bulgaria	1704 90	250	36%
Ukraine	1704	500	0%
1806 - Chocolates and other cocoa products			
Bulgaria	1806	100	35%
Ukraine	1806	500	0%
Romania	1806 31 , 1806 32, 1806 90	50	0%
Croatia	1806	200	0%
1902 – Doughs, cooked or non-cooked or stuffed			
Bulgaria	1902	100	35%
1904 – Wheat food products			
Bulgaria	190410 10	50	32%
Ukraine	1904	500	0%
1905- Bread, bakeries and cakes, bisquits and other baking products			
Croatia	1905 90	70	0%
Bulgaria	1905	100	35%
Ukraine	1905 30 1905 31 1905 32	100	0%
Romania	1905 31	50	0%

2001- Cucumbers, gherkins, preserved				
Ukraine	2001	6000	0%	
Turkey	2001 90 50; 2003 10	100	50% of MFN	
	2001 90 96; 2005 90 10; 2005 90 70	100	50% of MFN	
	2001 10; 2001 90 70	200	50% of MFN	
Croatia	2001 10	400	0%	
Romania	2001 90 20 2001 90 50	3030	0%	0%
2002 – Tomatoes, ready-made or preserved				
Ukraine	2002	4000	0%	
Croatia	2002	1500	0%	
2003 – Mushrooms temporary preserved				
Bulgaria	2003 10	50	20%	
2005 – Other vegetables, ready-made or preserved in another manner except with vinegar				
Bulgaria	2005 20 20 00	100	50% of MFN	
	2005 90 70; 2005 90 80 10; 2005 90 80 90	100	50% of MFN	
Ukraine	2005	3000	0%	
Turkey	2005 90 80 00	200	0%	
Romania	2005 90 80 00	20	0%	
Croatia	2005 90 10; 2005 90 30; 2005 90 50; 2005 90 60; 2005 90 70 10; 2005 90 80; 2005 90 80 10	1200	0%	
2007- Other products from fruit jams, jelly and marmalades				
Bulgaria	2007 99	50	28%	
Ukraine	2007	100	0%	
2008 – Fruit, nuts and other edible parts of plants, preserved				
Ukraine	2008	500	0%	
2009 – Fruit juices and vegetable juices				
Ukraine	2009	3000	0%	
Bulgaria	2009 70 , 2009 90	200	25%	
2101 – Extracts, essential acids and coffee concentrates, tea				
Romania	2101 11 2101 12	5	0%	
2103 – Sauces, preparations for sauces, mixed condiments and mustard				
Ukraine	2103	3000	0%	
Bulgaria	2103 30 90	50	17%	
	2103 90 90	100	15%	
Romania	2103 90 90; 2104 10	10	50% of MFN	
2104 – Soups and stews and preparations for such products				
Bulgaria	2104 10	50	0%	
2105 - Ice-cream with or without cocoa supplement				
Bulgaria	2105 00	100	35%	
2201- Water, including natural mineral and carbonated water, without sugar supplement				
Bulgaria	2201	300	12%	
2202 – Water, including mineral and carbonated water with sugar supplement				
Albania	2202 00	200 000	0%	
2203 – Beer				
Bulgaria	2203	2000	35%	
2209 – Vinegar and vinegar substitute produced from vinegar acid				
Bulgaria	2209 0011 00; 2209 00 91 00	100	50% of MFN	
2402 – Cigarettes that contain tobacco				
Croatia	2402 20	180	0%	

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)
- b) Present or envisaged restructuring or modernisation plans

See [15.1 II A](#), point 8.

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted
- b) Timetable

Food products – additives

- European Parliament and Council Directive **94/34/EC** of 30 June 1994 amending Directive **89/107/EEC** on the approximation of the laws of Member States concerning food additives authorized for use in foodstuffs intended for human consumption.
- European Parliament and Council Directive **94/36/EC** of 30 June 1994 on colours for use in foodstuffs.
- European Parliament and Council Directive No **95/2/EC** of 20 February 1995 on food additives other than colours and sweeteners.

Food products - contaminants

- Council Regulation (Euratom) No **3954/87** of 22 December 1987 laying down maximum permitted levels of radioactive contamination of foodstuffs and of feedingstuffs following a nuclear accident or any other case of radiological emergency.
- Council Regulation (EEC) No **315/93** of 8 February 1993 laying down Community procedures for contaminants in food.
- Commission Regulation (EC) No **466/2001** of 8 March 2001 setting maximum levels for certain contaminants in foodstuffs (Text with EEA relevance.)
- Council Regulation (EC) No **2375/2001** of 29 November 2001 amending Commission Regulation (EC) No **466/2001** setting maximum levels for certain contaminants in foodstuffs (Text with EEA relevance.)

Food products – extraction agents

- Council Directive **88/344/EEC** of 13 June 1988 on the approximation of the laws of the Member States on extraction solvents used in the production of foodstuffs and food ingredients.

Food products – condiments

- Council Directive **88/388/EEC** of 22 June 1988 on the approximation of the laws of the Member States relating to flavourings for use in foodstuffs and to source materials for their production.

Food products – materials that are in contact with food

- Council Directive **84/500/EEC** of 15 October 1984 on the approximation of the laws of the Member States relating to ceramic articles intended to come into contact with foodstuffs.
- Council Directive **89/109/EEC** of 21 December 1988 on the approximation of the laws of the Member States relating to materials and articles intended to come into contact with foodstuffs.
- Commission Directive **2002/72/EC** of 6 August 2002 relating to plastic materials and articles intended to come into contact with foodstuffs (Text with EEA relevance).
- Corrigendum to Commission Directive **2002/72/EC** of 6 August 2002 relating to plastic materials and articles intended to come into contact with foodstuffs (OJ L 220 of 15.8.2002).

Food products – General Food Law

- Council Directive **89/398/EEC** of 3 May 1989 on the approximation of the laws of the Member States relating to foodstuffs intended for particular nutritional uses.

Food products – Health and official control

- Council Directive **89/397/EEC** of 14 June 1989 on the official control of foodstuffs.
- Secondary law acts of the The Law on Safety of Foodstuffs and Products and Materials in Contact with Foodstuffs (“Official Gazette of RM” No. 54/02) – Rulebook on general requests for security of food
- Secondary law acts of the The Law on Safety of Foodstuffs and Products and Materials in Contact with Foodstuffs – Rulebook on special requests for security of certain types of food
- Commission Directive **2003/40/EC** of 16 May 2003 establishing the list, concentration limits and labelling requirements for the constituents of natural mineral waters and the conditions for using ozone-enriched air for the treatment of natural mineral waters and spring waters.

Food products – Marking

- Council Directive **79/112/EEC** of 18 December 1978 on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs for sale to the ultimate consumer.
- Council Directive **93/43/EEC** of 14 June 1993 on the hygiene of foodstuffs.
- Council Directive **98/83/EC** of 3 November 1998 on the quality of water intended for human consumption.

b) Timetable

- Directive nr. 94/34/EC– 2005/2006
- Directive nr. 94/36/EC – 2005/2006
- Directive nr. 95/2/EC – 2005/2006
- Regulative nr. 3954/87 - 2005/2006
- Regulative nr.466/2001 -2005/2006
- Regulative nr. 315/93 -2005/2006
- Regulative nr. 2375/2001 -2005/2006
- Directive nr. 88/344/EEC -2005/2006
- Directive nr. 88/388/EEC – 2005/2006
- Directive nr. 84/500/EEC-2005/2006
- Directive nr. 89/109/EEC -2005/2006
- Directive nr. 2002/72/EC – 2005/2006
- Directive nr. 89/398/EEC -2005/2006
- Directive nr. 89/397/EEC -2005/2006
- Directive nr. 2003/40/EC -2005/2006
- Directive nr. 79/112/EEC -2005/2006
- Directive nr. 93/43/EEC – 2005 /2006
- Directive nr. 98/83/EC – 2005 /2006

See [01 III B 1](#), [01 III B 2](#), [01 III D 1](#) and [01 III D 2](#)

I. Textiles and clothing, leather, footwear, furniture, toys

Textiles and clothing, leather, footwear, furniture and toys include:

- 17 Manufacture of textiles
- 18 Manufacture of wearing apparel; dressing and dyeing of fur
- 19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear
- 36.1 Manufacture of furniture
- 36.5 Manufacture of games and toys

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
17 Manufacture of textiles	Thous.m ²	29,992	27,693	28,475	28,053
	Thous.PCE	7,138	7,157	1,283	1,358
	t	12,091	9,882	9,689	9,267
18 Manufacture of wearing apparel; dressing and dyeing of fur	Thous.m ²	36,438	24,095	33,319	33,140
	Thous.PCE	68,094	56,922	52,909	82,370
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	Thous.m ²	4,173	2,773	1,255	1,707
	Thous.PCE	3,603	3,967	5,049	4,757
36.1 Manufacture of furniture	PCE.	601,718	630,445	445,959	512,979
36.5 Manufacture of games and toys		-	-	-	-
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
17 Manufacture of textiles	Thous.m ²	47.5	49.8	46.6	39.9
	Thous.PCE	39.8	40.2	60.3	55.1
	t	63.8	62.2	65.2	70.3
18 Manufacture of wearing apparel; dressing and dyeing of fur	Thous.m ²	52.6	56.8	55.9	57.0
	Thous.PCE	68.8	76.0	75.3	64.9
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	Thous.m ²	4.3	4.0	5.3	2.3
	Thous.PCE	80.7	63.4	61.6	62.1
36.1 Manufacture of furniture	PCE.	36.5	31.4	44.4	48.0
36.5 Manufacture of games and toys					
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
17 Manufacture of textiles	Thous.m ²	14,255	13,785	13,263	11,205
	Thous.PCE	2,843	2,878	774	749
	t	7,720	6,148	6,316	6,516
18 Manufacture of wearing apparel; dressing and dyeing of fur	Thous.m ²	19,155	13,688	18,636	18,886
	Thous.PCE	46,855	43,282	39,816	53,477
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	Thous.m ²	179	110	66	39
	Thous.PCE	2,908	2,515	3,110	2,954
36.1 Manufacture of furniture	PCE.	219,507	198,160	198,223	246,464
36.5 Manufacture of games and toys		-	-	-	-
Source: State Statistical Office					

Table: Realized Production In thousands of MKD					
NACE	2000	2001	2002	2003	
17 Manufacture of textiles	3,113,857	2,750,202	2,303,706	2,158,630	
18 Manufacture of wearing apparel; dressing and dyeing of fur	5,534,395	6,568,790	6,292,325	6,964,012	
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	961,350	929,506	985,295	814,830	
36.1 Manufacture of furniture	1,708,346	606,149	853,197	2,108,241	
36.5 Manufacture of games and toys	-	-	3,770	4,640	
Source: State Statistical Office					

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD					
NACE	2000	2001	2002	2003	
17 Manufacture of textiles	3,013,693	3,080,330	2,585,277	2,463,658	
18 Manufacture of wearing apparel; dressing and dyeing of fur	4,641,196	5,625,628	5,672,782	7,046,990	
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	1,203,338	1,104,433	1,246,826	1,096,870	
36.1 Manufacture of furniture	2,095,948	1,022,975	1,412,795	2,710,521	
36.5 Manufacture of games and toys	59,627	69,966	95,938	131,127	
Source: State Statistical Office					

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	40.2	35.8	31.0	34.9
18 Manufacture of wearing apparel; dressing and dyeing of fur	88.3	91.1	86.7	86.0
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	51.4	48.7	51.8	44.6
36.1 Manufacture of furniture	56.3	25.3	38.9	68.2
36.5 Manufacture of games and toys	-17.7	-16.8	-8.0	-8.7
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	2,947	2,086	3,021	2,665
18 Manufacture of wearing apparel; dressing and dyeing of fur	294	506	504	430
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	378	335	330	275
36.1 Manufacture of furniture	1,887	1,457	1,968	2,012
36.5 Manufacture of games and toys	58	82	83	67
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	9,712	8,566	10,498	8,711
18 Manufacture of wearing apparel; dressing and dyeing of fur	2,026	2,481	2,293	2,234
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	2,791	2,501	2,463	2,256
36.1 Manufacture of furniture	3,222	2,875	2,990	3,279
36.5 Manufacture of games and toys	294	347	559	700
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	10,141	8,763	9,972	10,283
18 Manufacture of wearing apparel; dressing and dyeing of fur	1,569	1,272	1,945	2,558
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	3,158	3,358	3,780	3,893
36.1 Manufacture of furniture	6,956	5,402	6,962	7,193
36.5 Manufacture of games and toys	676	704	920	1,024
Source: State Statistical Office				

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
17 Manufacture of textiles	21,025	24,667	19,196	18,086
18 Manufacture of wearing apparel; dressing and dyeing of fur	7,620	6,591	10,342	13,942
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	7,273	6,852	7,392	7,642
36.1 Manufacture of furniture	11,860	9,672	11,167	10,790
36.5 Manufacture of games and toys	862	997	1,139	1,615

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	Countries
17 Manufacture of textiles	Serbia and Montenegro, Bulgaria and Turkey
18 Manufacture of wearing apparel; dressing and dyeing of fur	Serbia and Montenegro, Turkey and Slovenia
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	China, Slovenia and Serbia and Montenegro
36.1 Manufacture of furniture	Slovenia, Serbia and Montenegro and Italy
36.5 Manufacture of games and toys	China, Turkey and United States of America

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination**Table: Exports to the EU**
In tons

NACE	2000	2001	2002	2003
17 Manufacture of textiles	4,749	4,207	4,187	4,716
18 Manufacture of wearing apparel; dressing and dyeing of fur	13,708	15,475	16,094	17,658
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	1,502	2,067	1,992	1,811
36.1 Manufacture of furniture	794	764	766	922
36.5 Manufacture of games and toys	3	-	90	151

Source: State Statistical Office

Table: Exports to the EU
In thousands of Euro

NACE	2000	2001	2002	2003
17 Manufacture of textiles	26,853	24,134	22,780	21,877
18 Manufacture of wearing apparel; dressing and dyeing of fur	237,351	267,189	277,348	303,135
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	20,401	31,069	32,688	33,821
36.1 Manufacture of furniture	1,510	1,490	1,360	1,349
36.5 Manufacture of games and toys	16	-	59	118

Source: State Statistical Office

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
17 Manufacture of textiles	6,419	5,672	5,224	5,346
18 Manufacture of wearing apparel; dressing and dyeing of fur	4,189	3,559	3,458	2,798
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	1,214	666	485	305
36.1 Manufacture of furniture	4,085	3,035	2,718	2,208
36.5 Manufacture of games and toys	77	120	82	76

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
17 Manufacture of textiles	23,656	24,205	19,875	19,015
18 Manufacture of wearing apparel; dressing and dyeing of fur	100,940	85,267	71,488	55,389
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	21,886	11,499	6,624	3,327
36.1 Manufacture of furniture	7,672	4,657	3,904	3,320
36.5 Manufacture of games and toys	158	261	159	176

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
17 Manufacture of textiles	Serbia and Montenegro, Greece and Germany
18 Manufacture of wearing apparel; dressing and dyeing of fur	Germany, United States of America and Greece
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	Italy, United States of America and Netherlands
36.1 Manufacture of furniture	Serbia and Montenegro, Croatia and Greece
36.5 Manufacture of games and toys	Serbia and Montenegro, Sweden and Croatia

Source: State Statistical Office

c) Exports/production and imports/production ratios**Table: Exports / Production Ratio**
In percent

NACE	2000	2001	2002	2003
17 Manufacture of textiles	98.5	107.1	112.9	116.2
18 Manufacture of wearing apparel; dressing and dyeing of fur	371.0	326.7	338.3	315.8
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	267.1	278.9	243.3	279.4
36.1 Manufacture of furniture	32.6	61.8	37.6	13.6
36.5 Manufacture of games and toys			352.3	389.0

Source: State Statistical Office

Table: Imports / Production Ratio
In percent

NACE	2000	2001	2002	2003
17 Manufacture of textiles	59.9	73.5	78.7	76.2
18 Manufacture of wearing apparel; dressing and dyeing of fur	10.6	8.4	12.2	14.2
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	63.5	61.3	61.0	74.5
36.1 Manufacture of furniture	53.6	126.1	101.2	40.9
36.5 Manufacture of games and toys	-	-	2,749.4	3,071.7

Source: State Statistical Office

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	3,572	3,668	2,915	2,761
18 Manufacture of wearing apparel; dressing and dyeing of fur	9,328	9,552	9,124	9,779
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	1,211	1,117	1,184	1,076
36.1 Manufacture of furniture	1,548	1,386	1,467	1,310
36.5 Manufacture of games and toys	5	3	3	4
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	1,032	1,086	1,012	963
18 Manufacture of wearing apparel; dressing and dyeing of fur	4,700	4,948	4,757	4,960
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	545	574	613	559
36.1 Manufacture of furniture	480	432	426	416
36.5 Manufacture of games and toys	3	2	2	3
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	2.4	2.7	2.2	2.0
18 Manufacture of wearing apparel; dressing and dyeing of fur	6.2	6.9	6.9	7.0
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	0.8	0.8	0.9	0.8
36.1 Manufacture of furniture	0.4	0.3	0.4	0.3
36.5 Manufacture of games and toys	0.0	0.0	0.0	0.0
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	1.9	2.1	2.1	1.8
18 Manufacture of wearing apparel; dressing and dyeing of fur	8.8	9.7	9.9	9.5
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	1.0	1.1	1.3	1.1
36.1 Manufacture of furniture	0.3	0.2	0.2	0.2
36.5 Manufacture of games and toys	0.0	0.0	0.0	0.0
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	293	324	386	396
18 Manufacture of wearing apparel; dressing and dyeing of fur	1,076	1,084	1,370	1,510
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	217	285	326	359
36.1 Manufacture of furniture	359	361	354	379
36.5 Manufacture of games and toys	5	5	6	5
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	9,702	7,376	6,292	5,750
18 Manufacture of wearing apparel; dressing and dyeing of fur	32,148	33,161	31,974	34,084
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	5,119	4,331	4,294	2,899
36.1 Manufacture of furniture	2,855	3,047	2,865	2,742
36.5 Manufacture of games and toys	5	9	15	13
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	6.0	4.8	4.3	4.3
18 Manufacture of wearing apparel; dressing and dyeing of fur	20.0	21.4	21.7	25.7
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	3.2	2.8	2.9	2.2
36.1 Manufacture of furniture	0.6	0.6	0.6	0.6
36.5 Manufacture of games and toys	0.0	0.0	0.0	0.0
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
17 Manufacture of textiles	S	1,008	269	917	305	955	367	1,050	381
	M	1,386	19	1,681	17	497	7	849	11
	B	1,178	5	1,070	2	1,464	12	862	4
18 Manufacture of wearing apparel; dressing and dyeing of fur	S	4,762	1,048	5,282	1,063	5,734	1,349	6,410	1,490
	M	2,494	25	2,343	18	713	10	2,102	16
	B	2,073	3	1,928	3	2,676	11	1,268	4
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	S	401	210	610	281	673	321	890	355
	M	477	5	268	3	51	2	118	3
	B	333	2	239	1	459	3	68	1
36.1 Manufacture of furniture	S	934	352	925	354	1,129	348	993	372
	M	439	6	332	6	44	2	312	6
	B	175	1	128	1	294	4	5	1
36.5 Manufacture of games and toys	S	5	5	3	5	3	6	4	5
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-

Source: State Statistical Office
S-Small M-Medium B-Big

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	160,462	155,396	96,827	108,858
18 Manufacture of wearing apparel; dressing and dyeing of fur	321,652	48,120	386,214	430,440
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	74,119	24,301	45,039	12,040
36.1 Manufacture of furniture	41,435	19,595	82,598	44,318
36.5 Manufacture of games and toys	-	-	-	-

Source: State Statistical Office

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	3,221,718	2,987,345	2,795,180	2,083,678
18 Manufacture of wearing apparel; dressing and dyeing of fur	6,325,134	4,563,595	4,362,197	4,701,904
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	2,191,297	1,568,969	1,434,812	843,100
36.1 Manufacture of furniture	1,134,293	1,164,700	1,071,456	1,094,348
36.5 Manufacture of games and toys	582	581	621	584

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology**Table: Foreign Direct Investments**
In thousands of US Dollars

NACE	2000	2001	2002	2003
17 Manufacture of textiles	1,017	355	224	2,826
18 Manufacture of wearing apparel; dressing and dyeing of fur	625	687	735	476
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	543	-	222	298
36.1 Manufacture of furniture	46	15	-	232
36.5 Manufacture of games and toys	-	-	-	-

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?**Table: The Largest Enterprises**

NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
17 Manufacture of textiles	KIMIKO	623,932	442	Private
	HELAMTEKS	349,459	474	Private
	BETES	192,753	176	Private
	FROTIRKA-KOMPANI	189,006	493	Private
	ALKALOID	116,639	206	Private
	TRIKO FASHION	19,525	334	Private
	MAKEDONSKI FOLKLOR	22,306	301	Private
	DEKORTEKS	33,978	300	Private
	JUGOTES	25,120	206	Private
	OTES-OSKAR	33,403	110	Private
18 Manufacture of wearing apparel; dressing and dyeing of fur	TODOR CIPOVSKI – MERDZAN	1,057,079	2,678	Private
	ORKA HOLDING AD	338,758	654	Private
	DIMKO MITREV	239,999	384	Private
	MODA	218,784	604	Private
	POLMAK	210,124	20	Private
	GERAS CUNEV	152,481	650	Private
	PALTES	143,559	655	Private
	NOEL	179,843	667	Private
	VINKA	162,958**	628**	Private
	PELISTER	137,988	432	Private
	EDINSTVO	56,580	387	Private
	PRIMA	52,276**	386**	Private
	OTES MENS	66,397	312	Private
	MOEL EEI	71,642	335	Private
	BARGALA	111,087	968	Private
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	KORIMPEKS DZINO	102,919	33	Private
	BOSS – CEVL	81,078	34	Private
	KRZNARA KRK	3,760**	121**	Private
	TUSEVSKI ERIK	68,086	162	Private
	KOZARA KRK	2,791**	91**	Private
	DUDUN – T	123	58	Private
	KRZNO	2,145	44	Private
	CIK	223,609**	963**	Private
	P.B. MEBEL CENTAR	114,355	34	Private
36.1 Manufacture of furniture	OGRAZDEN	92,175	253	Private
	CRN BOR	26,840	122	Private
36.5 Manufacture of games and toys	MISTER CHARM	1,460	10	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	106.4	147.3	160.8	167.4
18 Manufacture of wearing apparel; dressing and dyeing of fur	146.2	149.2	148.8	145.5
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	106.5	132.4	142.7	192.9
36.1 Manufacture of furniture	168.2	141.7	148.8	151.8
36.5 Manufacture of games and toys	688.4	213.7	130.9	217.5
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	1,486	1,095	978	4,740
18 Manufacture of wearing apparel; dressing and dyeing of fur	4,190	4,526	4,286	4,483
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	623	485	528	295
36.1 Manufacture of furniture	397	431	449	434
36.5 Manufacture of games and toys	3	1	2	1
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
17 Manufacture of textiles	2,540	2,582	1,903	1,798
18 Manufacture of wearing apparel; dressing and dyeing of fur	4,628	4,605	4,367	4,819
19 Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	666	543	571	517
36.1 Manufacture of furniture	1,067	954	1,040	894
36.5 Manufacture of games and toys	1	1	1	1
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,,

3) f) Largest enterprises:

"Gross output has been used as an indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered...".

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees...".

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#) point 4.

In the sector there are still in use regulations from ex – SFRY, more significant being

- Order for the compulsory attesting of cotton ("Official Gazette of SFRY" no. 4/79; 31/81);
- Order for the compulsory attesting of wool (Official Gazette of SFRY" no. 65/84);
- Rulebook for the compulsory attesting of jute and the conditions which must be fulfilled by organizations authorized for the attesting of these products (Official Gazette of SFRY" no. 8/91);
- Rulebook for features of children's toys released on the market("Official Gazette of RM"" 90/2004);

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#) , point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#) , point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See, [15 I II A](#) point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#) , point 9.

1. Textiles and clothing:**a) textiles: Please specify main activities (including knitwear)****b) clothing industry**

Textiles and clothing include:

- 17.1 Preparation and spinning of textile fibres
- 17.2 Textile weaving
- 17.3 Finishing of textiles
- 17.4 Manufacture of made-up textile articles, except apparel
- 17.5 Manufacture of other textiles
- 17.6 Manufacture of knitted and crocheted fabrics
- 17.7 Manufacture of knitted and crocheted articles
- 18.2 Manufacture of other wearing apparel and accessories
- 18.3 Dressing and dyeing of fur; manufacture of articles of fur

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	t	9,969	8,489	8,165	7,354
17.2 Textile weaving	Thous.m ²	20,550	20,550	21,219	20,265
17.3 Finishing of textiles	Thous.m ²	528	528	528	467
17.4 Manufacture of made-up textile articles, except apparel	Thous.m ²	8,693	6,353	6,495	7,172
17.5 Manufacture of other textiles	Thous.m ²	221	262	233	150
	t	830	830	830	830
17.6 Manufacture of knitted and crocheted fabrics	t	1,292	563	693	1,083
17.7 Manufacture of knitted and crocheted articles	Thous.PCE	7,138	7,157	1,283	1,358
18.2 Manufacture of other wearing apparel and accessories	Thous.m ²	19,106	18,712	26,132	24,123
	Thous.PCE	68,094	56,922	52,909	82,370
18.3 Dressing and dyeing of fur; manufacture of articles of fur	Thous.m ²	17,310	5,343	7,166	8,995

Source: State Statistical Office

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	t	64.3	61.1	65.9	68.9
17.2 Textile weaving	Thous.m ²	42.0	44.6	34.7	32.1
17.3 Finishing of textiles	Thous.m ²	60.0	35.6	48.5	60.0
17.4 Manufacture of made-up textile articles, except apparel	Thous.m ²	59.0	68.2	85.2	61.2
17.5 Manufacture of other textiles	Thous.m ²	80.7	34.0	47.3	20.7
	t	42.3	54.7	38.1	53.7
17.6 Manufacture of knitted and crocheted fabrics	t	74.2	90.1	89.3	92.6
17.7 Manufacture of knitted and crocheted articles	Thous.PCE	39.8	40.2	60.3	55.1
18.2 Manufacture of other wearing apparel and accessories	Thous.m ²	66.6	65.1	60.9	64.4
	Thous.PCE	68.8	76.0	75.3	64.9
18.3 Dressing and dyeing of fur; manufacture of articles of fur	Thous.m ²	37.1	27.7	37.9	37.1

Source: State Statistical Office

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	t	6,410	5,187	5,381	5,067
17.2 Textile weaving	Thous.m ²	8,631	9,175	7,363	6,505
17.3 Finishing of textiles	Thous.m ²	317	188	256	280
17.4 Manufacture of made-up textile articles, except apparel	Thous.m ²	5,129	4,333	5,534	4,389
17.5 Manufacture of other textiles	Thous.m ²	178	89	110	31
	t	351	454	316	446
17.6 Manufacture of knitted and crocheted fabrics	t	959	507	619	1,003
17.7 Manufacture of knitted and crocheted articles	Thous.PCE	2,843	2,878	774	749
18.2 Manufacture of other wearing apparel and accessories	Thous.m ²	12,726	12,174	15,913	15,534
	Thous.PCE	46,855	43,282	39,816	53,477
18.3 Dressing and dyeing of fur; manufacture of articles of fur	Thous.m ²	6,422	1,480	2,716	3,337
Source: State Statistical Office					

Table: Realized Production In thousands of MKD					
NACE	2000	2001	2002	2003	
17.1 Preparation and spinning of textile fibres	1,200,160	1,019,913	919,591	1,001,507	
17.2 Textile weaving	831,306	787,371	519,816	295,103	
17.3 Finishing of textiles	19,020	2,680	3,650	6,252	
17.4 Manufacture of made-up textile articles, except apparel	411,256	442,341	424,270	360,002	
17.5 Manufacture of other textiles	199,382	153,772	126,367	71,257	
17.6 Manufacture of knitted and crocheted fabrics	162,189	98,530	126,545	279,495	
17.7 Manufacture of knitted and crocheted articles	290,544	245,595	183,467	145,014	
18.2 Manufacture of other wearing apparel and accessories	5,312,833	6,237,866	5,928,979	6,603,898	
18.3 Dressing and dyeing of fur; manufacture of articles of fur	179,342	257,496	348,385	326,224	
Source: State Statistical Office					

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD					
NACE	2000	2001	2002	2003	
17.1 Preparation and spinning of textile fibres	915,883	1,023,638	903,025	914,270	
17.2 Textile weaving	1,118,137	951,277	871,011	698,436	
17.3 Finishing of textiles	19,020	2,680	3,650	6,252	
17.4 Manufacture of made-up textile articles, except apparel	191,298	289,705	159,371	153,410	
17.5 Manufacture of other textiles	752,092	605,621	631,195	470,413	
17.6 Manufacture of knitted and crocheted fabrics	-90,911	-119,684	-106,921	71,573	
17.7 Manufacture of knitted and crocheted articles	108,174	327,093	123,946	149,304	
18.2 Manufacture of other wearing apparel and accessories	4,557,433	5,463,155	5,405,337	6,760,887	
18.3 Dressing and dyeing of fur; manufacture of articles of fur	37,934	78,596	176,331	235,988	
Source: State Statistical Office and Ministry of Economy					

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	64.1	61.2	61.1	65.4
17.2 Textile weaving	53.7	50.0	38.3	22.6
17.3 Finishing of textiles	100.0	100.0	100.0	100.0
17.4 Manufacture of made-up textile articles, except apparel	25.8	29.4	4.2	19.6
17.5 Manufacture of other textiles	4.1	6.3	2.9	-5.6
17.6 Manufacture of knitted and crocheted fabrics	112.4	108.5	128.1	66.0
17.7 Manufacture of knitted and crocheted articles	24.4	1.5	19.6	31.3
18.2 Manufacture of other wearing apparel and accessories	88.2	91.1	87.5	85.7
18.3 Dressing and dyeing of fur; manufacture of articles of fur	97.5	99.2	99.5	98.8
Source: State Statistical Office and Ministry of Economy				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	662	554	713	582
17.2 Textile weaving	607	421	728	729
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	179	259	135	87
17.5 Manufacture of other textiles	1,461	821	1,377	1,219
17.6 Manufacture of knitted and crocheted fabrics	18	19	45	38
17.7 Manufacture of knitted and crocheted articles	21	12	22	10
18.2 Manufacture of other wearing apparel and accessories	292	506	504	428
18.3 Dressing and dyeing of fur; manufacture of articles of fur	1	0	0	1
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	1,122	1,228	2,010	1,179
17.2 Textile weaving	2,824	1,966	3,223	2,991
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	717	907	645	405
17.5 Manufacture of other textiles	4,617	4,099	4,112	3,673
17.6 Manufacture of knitted and crocheted fabrics	148	148	209	239
17.7 Manufacture of knitted and crocheted articles	284	219	299	223
18.2 Manufacture of other wearing apparel and accessories	2,004	2,456	2,279	2,183
18.3 Dressing and dyeing of fur; manufacture of articles of fur	12	8	5	14
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	1,887	2,260	2,011	2,375
17.2 Textile weaving	2,940	2,484	2,962	3,298
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	939	1,057	1,478	1,094
17.5 Manufacture of other textiles	4,118	2,728	3,256	3,062
17.6 Manufacture of knitted and crocheted fabrics	53	64	83	94
17.7 Manufacture of knitted and crocheted articles	204	170	182	360
18.2 Manufacture of other wearing apparel and accessories	1,567	1,269	1,931	2,530
18.3 Dressing and dyeing of fur; manufacture of articles of fur	1	1	1	22

Source: State Statistical Office

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	4,503	5,416	3,748	4,281
17.2 Textile weaving	6,034	5,985	5,765	6,076
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	1,907	2,799	2,078	1,623
17.5 Manufacture of other textiles	7,311	5,252	5,973	4,454
17.6 Manufacture of knitted and crocheted fabrics	102	119	297	206
17.7 Manufacture of knitted and crocheted articles	1,168	5,095	1,335	1,446
18.2 Manufacture of other wearing apparel and accessories	7,563	6,413	9,067	13,646
18.3 Dressing and dyeing of fur; manufacture of articles of fur	4	2	15	36

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
17.1 Preparation and spinning of textile fibres	Bulgaria, Australia and Germany
17.2 Textile weaving	Serbia and Montenegro, Turkey and Italy
17.3 Finishing of textiles	-
17.4 Manufacture of made-up textile articles, except apparel	Serbia and Montenegro, Turkey and Greece
17.5 Manufacture of other textiles	Serbia and Montenegro, Belgium and Egypt
17.6 Manufacture of knitted and crocheted fabrics	Germany, Italy and Serbia and Montenegro
17.7 Manufacture of knitted and crocheted articles	Serbia and Montenegro, Slovenia and Czech Republic
18.2 Manufacture of other wearing apparel and accessories	Serbia and Montenegro, Turkey and Slovenia
18.3 Dressing and dyeing of fur; manufacture of articles of fur	Serbia and Montenegro, Greece and Bulgaria

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	1,209	658	857	1,403
17.2 Textile weaving	1,299	1,113	1,260	1,187
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	1,349	1,737	1,522	1,587
17.5 Manufacture of other textiles	38	41	73	57
17.6 Manufacture of knitted and crocheted fabrics	234	130	130	197
17.7 Manufacture of knitted and crocheted articles	619	529	346	286
18.2 Manufacture of other wearing apparel and accessories	13,545	15,349	15,992	17,564
18.3 Dressing and dyeing of fur; manufacture of articles of fur	160	121	98	92

Source: State Statistical Office

Table: Exports to the EU

In thousands of Euro

NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	6,039	4,075	4,317	5,149
17.2 Textile weaving	5,062	4,410	4,559	3,962
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	7,207	9,999	8,257	8,311
17.5 Manufacture of other textiles	96	48	477	189
17.6 Manufacture of knitted and crocheted fabrics	1,083	359	538	673
17.7 Manufacture of knitted and crocheted articles	7,366	5,243	4,631	3,593
18.2 Manufacture of other wearing apparel and accessories	232,459	263,682	273,340	299,931
18.3 Dressing and dyeing of fur; manufacture of articles of fur	4,516	3,157	3,685	2,975

Source: State Statistical Office

Table: Exports to the Rest of the World

In tons

NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	2,623	1,923	1,492	1,403
17.2 Textile weaving	494	614	439	1,389
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	904	788	1,118	848
17.5 Manufacture of other textiles	1,539	1,339	1,238	933
17.6 Manufacture of knitted and crocheted fabrics	747	886	877	722
17.7 Manufacture of knitted and crocheted articles	111	122	59	51
18.2 Manufacture of other wearing apparel and accessories	4,082	3,432	3,297	2,708
18.3 Dressing and dyeing of fur; manufacture of articles of fur	106	127	160	89

Source: State Statistical Office

Table: Exports to the Rest of the World

In thousands of Euro

NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	7,612	5,754	4,867	4,481
17.2 Textile weaving	3,649	5,488	2,611	4,445
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	4,004	4,106	5,413	4,486
17.5 Manufacture of other textiles	3,151	2,200	1,922	1,574
17.6 Manufacture of knitted and crocheted fabrics	3,981	4,592	4,149	3,288
17.7 Manufacture of knitted and crocheted articles	1,260	2,066	914	741
18.2 Manufacture of other wearing apparel and accessories	99,686	83,527	69,623	52,420
18.3 Dressing and dyeing of fur; manufacture of articles of fur	1,252	1,719	1,844	2,938

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
17.1 Preparation and spinning of textile fibres	Serbia and Montenegro, Germany and Greece
17.2 Textile weaving	Greece, Serbia and Montenegro and Italy
17.3 Finishing of textiles	-
17.4 Manufacture of made-up textile articles, except apparel	Greece, Serbia and Montenegro and Germany
17.5 Manufacture of other textiles	Serbia and Montenegro, Bosnia and Herzegovina and Italy
17.6 Manufacture of knitted and crocheted fabrics	Serbia and Montenegro, Croatia and Bosnia and Herzegovina
17.7 Manufacture of knitted and crocheted articles	Germany, France and Netherlands
18.2 Manufacture of other wearing apparel and accessories	Germany, United States of America and Greece
18.3 Dressing and dyeing of fur; manufacture of articles of fur	Greece, Germany and Russian Federation

Source: State Statistical Office

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	69.1	58.7	60.9	58.9
17.2 Textile weaving	63.6	76.6	84.1	175.1
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	165.5	194.2	196.5	217.9
17.5 Manufacture of other textiles	98.8	89.0	115.8	151.6
17.6 Manufacture of knitted and crocheted fabrics	189.6	306.1	225.9	86.8
17.7 Manufacture of knitted and crocheted articles	180.4	181.4	184.3	183.2
18.2 Manufacture of other wearing apparel and accessories	379.4	338.9	353.0	327.3
18.3 Dressing and dyeing of fur; manufacture of articles of fur	195.4	115.3	96.8	111.1
Source: State Statistical Office and Ministry of Economy				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	28.4	39.6	38.2	33.4
17.2 Textile weaving	64.6	61.5	105.5	188.7
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	38.7	50.9	39.2	34.6
17.5 Manufacture of other textiles	363.0	370.3	487.2	699.5
17.6 Manufacture of knitted and crocheted fabrics	9.3	16.5	24.4	9.8
17.7 Manufacture of knitted and crocheted articles	30.4	131.4	54.3	70.7
18.2 Manufacture of other wearing apparel and accessories	10.9	8.7	11.7	14.7
18.3 Dressing and dyeing of fur; manufacture of articles of fur	0.6	0.2	0.3	1.0
Source: State Statistical Office and Ministry of Economy				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	638	461	360	299
17.2 Textile weaving	647	566	497	354
17.3 Finishing of textiles	11	22	8	12
17.4 Manufacture of made-up textile articles, except apparel	843	1,168	874	851
17.5 Manufacture of other textiles	258	191	204	183
17.6 Manufacture of knitted and crocheted fabrics	981	1,081	731	826
17.7 Manufacture of knitted and crocheted articles	194	179	241	237
18.2 Manufacture of other wearing apparel and accessories	8,942	9,071	8,601	9,298
18.3 Dressing and dyeing of fur; manufacture of articles of fur	229	403	451	412
Source: State Statistical Office				

Table: Gross Value Added

In million MKD

NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	203	122	182	104
17.2 Textile weaving	193	163	135	123
17.3 Finishing of textiles	9	16	4	4
17.4 Manufacture of made-up textile articles, except apparel	249	337	280	298
17.5 Manufacture of other textiles	99	96	104	63
17.6 Manufacture of knitted and crocheted fabrics	207	280	242	288
17.7 Manufacture of knitted and crocheted articles	72	72	65	83
18.2 Manufacture of other wearing apparel and accessories	4,551	4,814	4,594	4,786
18.3 Dressing and dyeing of fur; manufacture of articles of fur	33	98	128	131

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry

In percent

NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	0.2	0.1	0.1	0.1
17.2 Textile weaving	0.2	0.1	0.1	0.1
17.3 Finishing of textiles	0.0	0.0	0.0	0.0
17.4 Manufacture of made-up textile articles, except apparel	0.2	0.3	0.2	0.2
17.5 Manufacture of other textiles	0.1	0.0	0.0	0.0
17.6 Manufacture of knitted and crocheted fabrics	0.2	0.3	0.2	0.2
17.7 Manufacture of knitted and crocheted articles	0.0	0.0	0.1	0.1
18.2 Manufacture of other wearing apparel and accessories	2.1	2.2	2.1	2.1
18.3 Dressing and dyeing of fur; manufacture of articles of fur	0.1	0.1	0.1	0.1

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry

In percent

NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	0.1	0.1	0.1	0.1
17.2 Textile weaving	0.1	0.1	0.1	0.1
17.3 Finishing of textiles	0.0	0.0	0.0	0.0
17.4 Manufacture of made-up textile articles, except apparel	0.1	0.2	0.1	0.1
17.5 Manufacture of other textiles	0.1	0.1	0.1	0.0
17.6 Manufacture of knitted and crocheted fabrics	0.1	0.1	0.1	0.1
17.7 Manufacture of knitted and crocheted articles	0.0	0.0	0.0	0.0
18.2 Manufacture of other wearing apparel and accessories	2.4	2.5	2.4	2.3
18.3 Dressing and dyeing of fur; manufacture of articles of fur	0.0	0.1	0.1	0.1

Source: State Statistical Office

b) Number of enterprises**Table: Number of Enterprises**

NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	22	21	28	24
17.2 Textile weaving	23	21	18	17
17.3 Finishing of textiles	5	8	8	14
17.4 Manufacture of made-up textile articles, except apparel	87	107	154	161
17.5 Manufacture of other textiles	60	66	80	88
17.6 Manufacture of knitted and crocheted fabrics	34	33	33	29
17.7 Manufacture of knitted and crocheted articles	62	68	65	63
18.2 Manufacture of other wearing apparel and accessories	1,036	1,043	1,247	1,388
18.3 Dressing and dyeing of fur; manufacture of articles of fur	14	12	48	49

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	1,953	1,343	862	626
17.2 Textile weaving	3,567	1,883	1,351	1,033
17.3 Finishing of textiles	282	298	24	29
17.4 Manufacture of made-up textile articles, except apparel	1,492	1,297	1,751	1,960
17.5 Manufacture of other textiles	850	995	939	922
17.6 Manufacture of knitted and crocheted fabrics	1,036	1,156	1,019	917
17.7 Manufacture of knitted and crocheted articles	524	404	346	263
18.2 Manufacture of other wearing apparel and accessories	31,345	32,302	30,896	33,102
18.3 Dressing and dyeing of fur; manufacture of articles of fur	461	430	606	608
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	0.4	0.3	0.2	0.1
17.2 Textile weaving	0.7	0.4	0.3	0.2
17.3 Finishing of textiles	0.1	0.1	0.0	0.0
17.4 Manufacture of made-up textile articles, except apparel	0.3	0.3	0.4	0.4
17.5 Manufacture of other textiles	0.2	0.2	0.2	0.2
17.6 Manufacture of knitted and crocheted fabrics	0.2	0.2	0.2	0.2
17.7 Manufacture of knitted and crocheted articles	0.1	0.1	0.1	0.1
18.2 Manufacture of other wearing apparel and accessories	6.4	6.7	6.4	7.2
18.3 Dressing and dyeing of fur; manufacture of articles of fur	0.1	0.1	0.1	0.1
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
17.1 Preparation and spinning of textile fibres	S	19	17	113	18	49	23	71	20
17.2 Textile weaving	M	275	3	141	2	67	2	35	3
17.3 Finishing of textiles	B	345	2	208	1	244	3	193	1
17.4 Manufacture of made-up textile articles, except apparel	S	131	13	108	13	110	12	158	13
17.5 Manufacture of other textiles	M	448	8	458	8	29	1	151	2
17.6 Manufacture of knitted and crocheted fabrics	B	68	2	-	-	358	5	45	2
17.7 Manufacture of knitted and crocheted articles	S	11	5	22	8	8	8	12	14
18.2 Manufacture of other wearing apparel and accessories	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
17.1 Preparation and spinning of textile fibres	S	360	83	228	104	261	151	231	158
	M	483	4	940	3	338	2	620	3

17.2 Textile weaving									
17.3 Finishing of textiles	B	-	-	-	-	275	1	-	-
17.4 Manufacture of made-up textile articles, except apparel	S	134	58	105	63	145	77	158	86
17.5 Manufacture of other textiles	M	124	2	86	3	15	1	24	2
17.6 Manufacture of knitted and crocheted fabrics	B	-	-	-	-	44	2	-	-
17.7 Manufacture of knitted and crocheted articles	S	163	32	163	31	140	31	182	27
18.2 Manufacture of other wearing apparel and accessories	M	53	1	57	1	49	1	20	1
	B	765	1	862	1	542	1	624	1
17.1 Preparation and spinning of textile fibres	S	190	61	179	68	241	65	237	63
17.2 Textile weaving	M	4	1	-	-	-	-	-	-
17.3 Finishing of textiles	B	-	-	-	-	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	S	4,702	1,011	5,010	1,023	5,468	1,229	6,317	1,371
17.5 Manufacture of other textiles	M	2,168	22	2,133	17	659	8	1,713	13
17.6 Manufacture of knitted and crocheted fabrics	B	2,073	3	1,928	3	2,474	10	1,268	4
17.7 Manufacture of knitted and crocheted articles	S	4	12	194	11	184	46	23	46
	M	225	2	210	1	65	1	389	3
	B	-	-	-	-	203	1	-	-

Source: State Statistical Office
S-Small M-Medium B-Big

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	53,531	-1,809	925	565
17.2 Textile weaving	424	60,750	-	-
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	5,718	4,314	6,120	7,764
17.5 Manufacture of other textiles	1,923	2,790	1,534	2,538
17.6 Manufacture of knitted and crocheted fabrics	97,188	87,530	86,127	84,561
17.7 Manufacture of knitted and crocheted articles	1,678	1,821	2,121	13,430
18.2 Manufacture of other wearing apparel and accessories	316,510	46,958	382,817	412,867
18.3 Dressing and dyeing of fur; manufacture of articles of fur	1,363	814	796	17,021

Source: State Statistical Office

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	676,539	568,540	578,208	387,138
17.2 Textile weaving	1,008,983	833,612	566,477	195,783
17.3 Finishing of textiles	820	4,348	4,890	4,337
17.4 Manufacture of made-up textile articles, except apparel	467,860	499,583	539,023	570,080
17.5 Manufacture of other textiles	284,411	312,679	321,845	157,060
17.6 Manufacture of knitted and crocheted fabrics	613,363	622,221	621,411	579,643
17.7 Manufacture of knitted and crocheted articles	169,742	146,361	163,327	189,637
18.2 Manufacture of other wearing apparel and accessories	6,029,351	4,258,001	4,060,394	4,559,994
18.3 Dressing and dyeing of fur; manufacture of articles of fur	225,029	236,533	235,378	110,776

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	-	355	4	6
17.2 Textile weaving	-	-	5	-
17.3 Finishing of textiles	-	-	106	58
17.4 Manufacture of made-up textile articles, except apparel	-	-	3	2,762
17.5 Manufacture of other textiles	-	-	6	-
17.6 Manufacture of knitted and crocheted fabrics	1,017	-	63	-
17.7 Manufacture of knitted and crocheted articles	-	-	37	-
18.2 Manufacture of other wearing apparel and accessories	603	683	657	476
18.3 Dressing and dyeing of fur; manufacture of articles of fur	-	-	78	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
17.1 Preparation and spinning of textile fibres	VETESKS	192,753	176	Private
	OTEKS-ANGORA	27,056	43	Private
	JUGOTEKS	25,120	206	Private
	IPSILON	19,965	140	Private
17.2 Textile weaving	ALKALOID	116,639	206	Private
	OTEKS-PELC	50,454	58	Private
	TEKSTIL INVEST DENIM	46,335	135	Private
	DEKORTEKS	33,978	300	Private
17.3 Finishing of textiles	-	-	-	-
17.4 Manufacture of made-up textile articles, except apparel	HELMATEKS	349,459	474	Private
	FROTIRKA-KOMPANI	189,006	493	Private
	KIMIKO-GARDINE	81,204	63	Private
	A-CONI	47,553	17	Private
	TONI-TEKS	23,469	41	Private
17.5 Manufacture of other textiles	MAKEDONSKI FOLKLOR	22,306	301	Private
	DE-NA	18,479	57	Private
	SILTEKS	12,437	87	Private
17.6 Manufacture of knitted and crocheted fabrics	KIMIKO	623,932	442	Private
	TRIKO	101,390	31	Private
	CITADELA	29,107	29	Private
	TRIKO-FEJKON	19,525	334	Private
	MISTEKS	19,030	24	Private
17.7 Manufacture of knitted and crocheted articles	EAM KONFEKCIJA	51,081	23	Private
	IST KOMERC	38,135	57	Private
	ANERTEKS	25,046	16	Private
18.2 Manufacture of other wearing apparel and accessories	TODOR CIPOVSKI-MERDCAN	1,057,079	2,678	Private
	ORKA HOLDING AD	338,758	654	Private
	MODA	218,784	604	Private
	POLMAK	210,124	20	Private
	NOEL	179,843	667	Private
18.3 Dressing and dyeing of fur; manufacture of articles of fur	DIMKO MITREV	239,999	384	Private
	KRZNOTEKS	129,421	150	Private
	OAZA	19,193	15	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	103.7	91.0	210.7	165.8
17.2 Textile weaving	54.1	86.6	99.8	118.9
17.3 Finishing of textiles	33.0	54.9	179.9	150.0
17.4 Manufacture of made-up textile articles, except apparel	167.2	259.6	159.8	151.9
17.5 Manufacture of other textiles	116.5	96.1	110.8	68.4
17.6 Manufacture of knitted and crocheted fabrics	199.5	242.2	237.2	314.0
17.7 Manufacture of knitted and crocheted articles	138.1	178.9	188.9	315.8
18.2 Manufacture of other wearing apparel and accessories	145.2	149.0	148.7	144.6
18.3 Dressing and dyeing of fur; manufacture of articles of fur	70.8	228.2	211.0	214.9
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	393	227	185	151
17.2 Textile weaving	530	264	190	175
17.3 Finishing of textiles	36	35	5	7
17.4 Manufacture of made-up textile articles, except apparel	190	198	256	274
17.5 Manufacture of other textiles	121	132	130	100
17.6 Manufacture of knitted and crocheted fabrics	153	180	153	190
17.7 Manufacture of knitted and crocheted articles	64	59	58	3,844
18.2 Manufacture of other wearing apparel and accessories	4,071	4,388	4,138	4,349
18.3 Dressing and dyeing of fur; manufacture of articles of fur	73	83	104	88
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
17.1 Preparation and spinning of textile fibres	436	339	178	195
17.2 Textile weaving	454	403	362	231
17.3 Finishing of textiles	2	6	4	7
17.4 Manufacture of made-up textile articles, except apparel	594	831	595	553
17.5 Manufacture of other textiles	159	95	100	120
17.6 Manufacture of knitted and crocheted fabrics	775	801	489	538
17.7 Manufacture of knitted and crocheted articles	122	107	175	154
18.2 Manufacture of other wearing apparel and accessories	4,392	4,256	4,007	4,512
18.3 Dressing and dyeing of fur; manufacture of articles of fur	197	305	323	281
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#) point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#) , point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#) , point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#) , point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#) , point 9.

2. Leather and leather products

Leather and leather products include:

- 18.1 Manufacture of leather clothes
- 19.1 Tanning and dressing of leather
- 19.2 Manufacture of luggage, handbags and the like, saddlery and harness

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
18.1 Manufacture of leather clothes	Thous.m ²	22	40	21	22
19.1 Tanning and dressing of leather	Thous.m ²	1,373	1,373	1,211	1,207
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	Thous.m ²	2,800	1,400	45	500
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
18.1 Manufacture of leather clothes	Thous.m ²	31.8	85.0	33.3	66.7
19.1 Tanning and dressing of leather	Thous.m ²	11.0	6.9	3.8	2.9
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	Thous.m ²	1.0	1.1	44.8	0.8
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
18.1 Manufacture of leather clothes	Thous.m ²	7	34	7	15
19.1 Tanning and dressing of leather	Thous.m ²	151	95	46	35
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	Thous.m ²	28	15	20	4
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	42,220	73,428	14,961	33,890
19.1 Tanning and dressing of leather	194,912	28,778	10,300	7,840
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	10,374	1,040	3,630	846
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	45,829	83,877	91,114	50,115
19.1 Tanning and dressing of leather	232,335	109,422	57,749	52,435
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	82,331	88,438	98,114	76,708
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	91.6	86.1	15.0	63.8
19.1 Tanning and dressing of leather	80.9	17.6	13.5	10.7
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	11.0	-1.5	-1.0	-10.3
Source: State Statistical Office				

2. Trade
a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	1	0	0	1
19.1 Tanning and dressing of leather	38	32	38	39
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	94	42	53	39
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	10	17	10	36
19.1 Tanning and dressing of leather	295	683	397	436
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	564	330	572	382
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	1	2	14	6
19.1 Tanning and dressing of leather	119	125	137	124
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	137	547	291	252
Source: State Statistical Office				

Table: Imports from the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	54	175	1,260	260
19.1 Tanning and dressing of leather	438	797	424	327
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	643	1,143	1,053	998

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003

NACE	Countries
18.1 Manufacture of leather clothes	Serbia and Montenegro, Bosnia and Herzegovina and Slovenia
19.1 Tanning and dressing of leather	Italy, Bulgaria and Serbia and Montenegro
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	Serbia and Montenegro, China and Bulgaria

Source: State Statistical Office

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU
In tons

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	3	5	4	3
19.1 Tanning and dressing of leather	13	28	37	13
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	2	11	4	5

Source: State Statistical Office

Table: Exports to the EU
In thousands of Euro

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	376	350	323	229
19.1 Tanning and dressing of leather	68	152	458	131
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	178	200	91	96

Source: State Statistical Office

Table: Exports to the Rest of the World
In tons

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	0	1	0	1
19.1 Tanning and dressing of leather	25	27	26	12
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	8	14	21	15

Source: State Statistical Office

Table: Exports to the Rest of the World
In thousands of Euro

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	2	21	21	31
19.1 Tanning and dressing of leather	215	338	614	100
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	152	149	270	170

Source: State Statistical Office

Table: Exports by main countries of origin for the period 2000-2003

NACE	Countries
18.1 Manufacture of leather clothes	Greece, Croatia and Serbia and Montenegro
19.1 Tanning and dressing of leather	Bulgaria, Netherlands, Serbia and Montenegro
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	Switzerland, Germany, Belgium

Source: State Statistical Office

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio
In percent

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	54.3	30.7	140.1	47.0
19.1 Tanning and dressing of leather	8.8	103.7	634.8	180.9
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	193.7	2,045.7	607.3	1,931.3

Source: State Statistical Office

Table: Imports / Production Ratio
In percent

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	9.1	15.9	517.5	53.5
19.1 Tanning and dressing of leather	22.8	313.3	485.8	597.5
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	706.1	8,627.6	2,730.5	10,003.5

Source: State Statistical Office

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output
In million MKD

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	157	79	71	70
19.1 Tanning and dressing of leather	230	0	80	143
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	46	65	88	51

Source: State Statistical Office

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	117	36	35	43
19.1 Tanning and dressing of leather	155	-14	15	74
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	13	27	32	28

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	0.0	0.0	0.0	0.0
19.1 Tanning and dressing of leather	0.1	0.0	0.0	0.0
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	0.0	0.0	0.0	0.0

Source: State Statistical Office

**Table: Gross Value Added / Total Gross Value Added in Industry
In percent**

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	0.1	0.0	0.0	0.0
19.1 Tanning and dressing of leather	0.1	0.0	0.0	0.0
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	0.0	0.0	0.0	0.0

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	26	29	75	73
19.1 Tanning and dressing of leather	28	35	51	66
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	54	69	71	70

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	342	430	472	374
19.1 Tanning and dressing of leather	342	357	363	165
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	232	278	331	315

Source: State Statistical Office

**Table: Number of Employees / Total Number of Employees in Industry
In percent**

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	0.1	0.1	0.1	0.1
19.1 Tanning and dressing of leather	0.1	0.1	0.1	0.0
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	0.0	0.1	0.1	0.1

Source: State Statistical Office

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

**Table: Structure of Enterprises
In thousands of MKD**

NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
18.1 Manufacture of leather clothes	S	56	25	79	29	82	74	70	73
	M	101	1	-	-	-11	1	-	-
	B	-	-	-	-	-	-	-	-
19.1 Tanning and dressing of leather	S	16	25	44	34	77	49	143	66
	M	214	3	8	1	3	1	-	-
	B	-	-	-	-	-	1	-	-
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	S	46	54	65	69	88	71	51	69
	M	-	-	-	-	-	-	0	1
	B	-	-	-	-	-	-	-	-

Source: State Statistical Office

S-Small M-Medium B-Big

Table: Investments in Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	3,779	348	2,601	552
19.1 Tanning and dressing of leather	-	-	-	-
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	-	-	-	-

Source: State Statistical Office

Table: Value of Active Fixed Assets
In thousands of MKD

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	70,753	69,061	66,425	31,134
19.1 Tanning and dressing of leather	20,250	147,966	20,232	21,036
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	204,162	202,886	213,234	204,113

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments
In thousands of US Dollars

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	22	3	-	-
19.1 Tanning and dressing of leather	-	-	-	-
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	-	-	-	-

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
18.1 Manufacture of leather clothes	MARKOS PAPAGEORGIU	34,182	154	Private
	SAMINVEST	9,609	109	Private
19.1 Tanning and dressing of leather	KRZNARA KRK	3,760**	121**	Private
	KOZARA KRK	2,791**	91**	Private
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	KARPOS GALANTERIJA	3,998	73	Private
	DUDN – T	123	58	Private
	KRZNO	2,145	44	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in these industries do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee
In thousands of MKD

NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	341.2	82.7	74.6	116.0
19.1 Tanning and dressing of leather	451.8	-40.0	40.2	449.1
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	54.5	97.8	97.1	87.6

Source: State Statistical Office

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	46	54	44	46
19.1 Tanning and dressing of leather	44	54	48	20
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	20	28	39	31

Source: State Statistical Office

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
18.1 Manufacture of leather clothes	40	43	36	26
19.1 Tanning and dressing of leather	75	66	66	69
19.2 Manufacture of luggage, handbags and the like, saddlery and harness	33	38	56	24

Source: State Statistical Office

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export)."

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export)."

2) c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports."

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,,

3) f) Largest enterprises:

"Gross output has been used as an indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protectionSee [15 I II A](#), point 4.**5. Incentives****a) For investment****b) For exports****c) Other**See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#), point 9.

3. Footwear

Footwear includes:

- 19.3 Manufacture of footwear

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
19.3 Manufacture of footwear	Thous.PCE	3,603	3,967	5,049	4,757
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
19.3 Manufacture of footwear	Thous.PCE	80.7	63.4	61.6	62.1
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
19.3 Manufacture of footwear	Thous.PCE	2,908	2,515	3,110	2,954
Source: State Statistical Office					

Table: Realized Production

In thousands of MKD

NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	756,064	899,688	971,365	806,144

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)**Table: Domestic Demand**

In thousands of MKD

NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	888,672	906,573	1,090,963	967,726

Source: State Statistical Office

Forecast of domestic demand is not available.

d) National self-supply ratio
(production – exports)
(production + imports - exports)
Table: National Self-Supply Ratio

In percent

NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	47.5	57.4	58.6	50.8

Source: State Statistical Office

2. Trade
a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin
Table: Imports from the EU

In tons

NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	246	261	239	197

Source: State Statistical Office

Table: Imports from the EU

In thousands of Euro

NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	1,933	1,489	1,494	1,438

Source: State Statistical Office

Table: Imports from the Rest of the World

In tons

NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	2,901	2,686	3,352	3,517

Source: State Statistical Office

Table: Imports from the Rest of the World

In thousands of Euro

NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	6,192	4,911	5,915	6,317

Source: State Statistical Office

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
19.3 Manufacture of footwear	Slovenia, China and Serbia and Montenegro
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	1,487	2,027	1,951	1,793
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	20,155	30,717	32,139	33,594
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	1,181	624	438	278
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	21,519	11,012	5,740	3,056
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
19.3 Manufacture of footwear	Italy, United States of America and Netherlands
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	334.7	282.4	237.8	278.7
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	65.2	43.3	46.5	59.0
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	936	1,000	1,016	881
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	378	561	566	457
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	0.2	0.2	0.2	0.2
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	0.2	0.3	0.3	0.2
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	135	181	204	223
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	4,545	3,696	3,600	2,419
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	0.9	0.8	0.8	0.5
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
19.3 Manufacture of footwear	S	339	131	501	178	508	201	696	220
	M	263	2	260	2	49	1	118	2
	B	333	2	239	1	459	2	68	1

Source: State Statistical Office
S-Small M-Medium B-Big

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	74,119	24,301	45,039	12,040

Source: State Statistical Office

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
19.3 Производство на обувки	1,966,885	1,218,118	1,201,346	617,951

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	543	-	222	298

Source: National Bank of the Republic of Macedonia

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
19.3 Manufacture of footwear	BARGALA	111,087	968	Private
	KORIMPEKS DZINO	102,919	33	Private
	BOSS - CEVLI	81,078	34	Private
	TUSEVSKI ERIK	68,086	162	Private
	BOSS - M	63,507	25	Private
	CIK KUMANOVO	223,609**	963**	Private

Source: State Statistical Office and Ministry of Economy

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	83.2	151.7	157.2	189.1
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	559	402	442	245
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
19.3 Manufacture of footwear	558	439	450	424
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

5. Incentives

- a) For investment
- b) For exports
- c) Other

See [15 I II A](#), point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation
- b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)
- b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted
- b) Timetable

See [15 I II A](#), point 9.

4. Furniture

Furniture includes:

- 36.1 Manufacture of furniture

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
36.1 Manufacture of furniture	PCE	601,718	630,445	445,959	512,979
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
36.1 Manufacture of furniture	PCE	36.5	31.4	44.4	48.0
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
36.1 Manufacture of furniture	PCE	219,507	198,160	198,223	246,464
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	1,708,346	606,149	853,197	2,108,241
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	2,095,948	1,022,975	1,412,795	2,710,521
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	56.3	25.3	38.9	68.2
Source: State Statistical Office				

2. Trade
a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	1,887	1,457	1,968	2,012
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	3,222	2,875	2,990	3,279
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	6,956	5,402	6,962	7,193
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	11,860	9,672	11,167	10,790
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
36.1 Manufacture of furniture	Slovenia, Serbia and Montenegro and Italy
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	794	764	766	922
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	1,510	1,490	1,360	1,349
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	4,085	3,035	2,718	2,208
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	7,672	4,657	3,904	3,320
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
36.1 Manufacture of furniture	Serbia and Montenegro, Greece and Croatia
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	32.6	61.8	37.6	13.6
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	53.6	126.1	101.2	40.9
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	1,548	1,386	1,467	1,310
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	480	432	426	416
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	0.4	0.3	0.4	0.3
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	0.3	0.2	0.2	0.2
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	359	361	354	379
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	2,855	3,047	2,865	2,742
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	0.6	0.6	0.6	0.6
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
36.1 Manufacture of furniture	S	934	352	925	354	1,129	348	993	372
	M	439	6	332	6	44	2	312	6
	B	175	1	128	1	294	4	5	1
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	41,435	19,595	82,598	44,318
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	1,134,293	1,164,700	1,071,456	1,094,348
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	46	15	-	232
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
36.1 Manufacture of furniture	OGRAZDEN	92,175	253	Private
	TPESKA-30 AVGUST	81,385	139	Private
	JOSIF SVESTAROT	60,981	168	Private
	AL-MAK	55,367	67	Private
	CRN BOR	26,840	122	Private
	P.B. MEBEL CENTAR	114,355	34	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	168.2	141.7	148.8	151.8
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	397	431	449	434
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
36.1 Manufacture of furniture	1,067	954	1,040	894
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

5. Incentives**a) For investment****b) For exports****c) Other**

See [15 I II A](#) , point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#), point 9.

5. Toys

Toys include:

- 36.5 Manufacture of games and toys

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
36.5 Manufacture of games and toys		-	-	-	-
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
36.5 Manufacture of games and toys		-	-	-	-
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
36.5 Manufacture of games and toys		-	-	-	-
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	0	0	3,770	4,640
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	59,627	69,966	95,938	131,127
Source: State Statistical Office				

Forecast of domestic demand is not available.

d) National self-supply ratio (production – exports) (production + imports - exports)

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	-17.7	-16.8	-8.0	-8.7
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

During year 2003 State Sanitary and Health Inspectorate – Department for Border Supervision performed 196 controls on imported shipments of children's toys at the customs terminals on request for health supervision – import from the authorized forwarding firms of the importers. 82% of imported goods belong to the Asian countries (China, Turkey, UAE), 12% from European Union countries (Germany, Greece, Italy, Sweden, United Kingdom, Austria and Slovakia), and 6% from Bosnia and Herzegovina, Serbia and Montenegro and Albania.

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	58	82	83	67
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	294	347	559	700
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	676	704	920	1,024
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	862	997	1,139	1,615
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
36.5 Manufacture of games and toys	China, Turkey and United States of America
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	3	-	90	151
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	16	-	59	118
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	77	120	82	76
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	158	261	159	176
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
36.5 Manufacture of games and toys	Serbia and Montenegro, Sweden and Croatia
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	-	-	352.3	389.0
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	-	-	2,749.4	3,071.7
Source: State Statistical Office				

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	5	3	3	4
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	3	2	2	3
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	0.0	0.0	0.0	0.0
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	0.0	0.0	0.0	0.0
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	5	5	6	5
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	5	9	15	13
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	0.0	0.0	0.0	0.0
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
		2000		2001		2002		2003	
NACE	Size of the enterprise	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
36.5 Manufacture of games and toys	S	5	5	3	5	3	6	4	5
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	-	-	-	-
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	582	581	621	584
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	-	-	-	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
36.5 Manufacture of games and toys	MISTER CHARM	1,460	10	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	688.4	213.7	130.9	217.5
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	3	1	2	1
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
36.5 Manufacture of games and toys	1	1	1	1
Source: State Statistical Office				

Notes for question 1 to 3:

- 1) c) domestic demand and 1) d) national self-supply ratio:
"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,
- 1) d) national self-supply ratio:
"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).
- 2) c) exports / production ratio and import / production ratio:
"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,
- 2) c) exports / production ratio:
"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,
- 2)c) import / production ratio:
"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.
- 3) d) Structure of enterprises:
"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,
- 3) f) Largest enterprises:
"Gross output has been used as a indicator for the production of the enterprise.,
- 3) f) Largest enterprises:
"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".
- 3) f) Largest enterprises:
"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."
- 3) f) Largest enterprises:
"Enterprises with less than 10 employees were not considered.,,
- 3) h) Productivity per employee:
"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II A](#), point 4.

5. Incentives**a) For investment****b) For exports****c) Other**

See [15 I II A](#), point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#), point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

See [15 I II A](#), point 9.

J. Pharmaceutical products

Pharmaceutical products include:

- 24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	kg	5,849,083	5,882,950	5,864,140	6,031,483
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production CapacityIn percent					
NACE	Supplementary Unit	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	kg	35.6	29.6	40.4	44.4
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	kg	2,083,927	1,738,527	2,368,874	2,679,299
Source: State Statistical Office					

Table: Realized Production
In thousands of MKD

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	2,771,241	2,398,939	2,867,420	2,878,069

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand
In thousands of MKD

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	4,570,782	4,088,029	4,826,079	5,118,950

Source: State Statistical Office

Forecast of domestic demand is not available.

d) National self-supply ratio (production – exports) (production + imports - exports)

Table: National Self-Supply Ratio
In percent

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	28.7	19.3	22.3	24.4

Source: State Statistical Office

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU
In tons

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	606	436	429	345

Source: State Statistical Office

Table: Imports from the EU
In thousands of Euro

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	14,982	14,707	14,088	19,757

Source: State Statistical Office

Table: Imports from the Rest of the World
In tons

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	2,321	3,325	3,006	2,422

Source: State Statistical Office

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	38,715	39,495	47,397	43,321
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	Slovenia, Croatia and Switzerland
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0	0	0	0
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	4	27	28	36
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	1,072	1,290	1,623	1,162
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	24,045	26,419	29,344	26,518
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	Serbia and Montenegro, Bosnia and Herzegovina and Croatia
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	52.7	67.2	62.5	56.6
Source: State Statistical Office				

Table: Imports / Production Ratio
In percent

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	117.6	137.6	130.8	134.4

Source: State Statistical Office

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output
In million MKD

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	3,938	3,992	4,125	4,197

Source: State Statistical Office

Table: Gross Value Added
In million MKD

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	1,546	1,782	1,752	2,051

Source: State Statistical Office

Table: Gross Output / Total Gross Output in Industry
In percent

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0.9	1.0	1.0	1.0

Source: State Statistical Office

Table: Gross Value Added / Total Gross Value Added in Industry
In percent

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0.8	0.9	0.9	1.0

Source: State Statistical Office

b) Number of enterprises

Table: Number of Enterprises

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	7	5	6	6

Source: State Statistical Office

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees

NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	2,075	1,912	1,881	1,779

Source: State Statistical Office

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0.4	0.4	0.4	0.4
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	S	15	3	3	1	23	1	19	1
	M	763	3	97	2	199	3	161	1
	B	3,160	1	3,891	2	3,903	2	4,017	4
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	133,312	907,212	232,334	99,218
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	3,287,856	3,764,392	4,309,072	4,211,424
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	23	251	-	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output thousands of MKD	Number of Employees	Type of Ownership
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	ALKALOID	3,082,832	1,232	Private
	JAKA 80	782,570	362	Private
	D-R PANOVSKI	160,635	53	Private
	REPLEK	139,381	75	Private
	OHIS ICN	11,792	55	Private
	LEK	338,079	47	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	745.1	932.1	931.5	1,152.8
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	966	849	777	790
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	2,392	2,210	2,373	2,146
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered...".

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees..".

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

There are no concrete laws for protection of the environment on the area of pharmaceutical products. This area is regulated with:

- The Rulebook on standards and normatives for physical arrangement ("Official Gazette of RM" No. 2/2002, 50/2003), which comprises the specific standards for environment protection through sanitary protection zones (from class 1 to 5), and normatives for planning of facilities for production of pharmaceutical products.

A part of the area of protection of the environment is regulated with the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98) with principles of good production practice that derive from this Law.

At the moment, the Guide for good production practice of the European Union is completely in use.

See [15 I II A](#) , point 4.

5. Incentives

a) For investment

b) For exports

c) Other

See [15 I II A](#) , point 5.

6. Rules on foreign investment

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

b) Guarantees

See [15 I II A](#) point 6.

7. Trading system

a) Non-tariff measures affecting imports and exports, such as licences and quotas

See [15 I II A](#) , point 7.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

b) Present or envisaged restructuring or modernisation plans

See [15 I II A](#) , point 8.

9. Approximation of national legislation to Community legislation

a) List of measures, either planned or already adopted

b) Timetable

Overview of the national legislation and EU legislation in the area of pharmaceutical products		
EU legislation	MK legislation	List of measures, either planned or already adopted
Directive 94/36/EC Directive 2001/20/EC Directive 91/412/EEC Directive 91/356/EEC Directive 2003/94/EC Directive 89/105/EEC Directive 78/25/EEC Directive 2001/83/EC Regulative 807/2003 Regulative 540/95 Regulative 2377/90 Regulative 2309/93 Regulative 1647/2003 Regulative 98/79/EC	Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98)	Changes on the Law according to EU Directives are planned
Directive 65/65/EEC Directive 75/318/EEC Directive 75/319/EEC Directive 83/39/EEC Directive 93/39/EEC Directive 87/19/EEC Directive 87/21/EEC Directive 89/341/EEC Directive 91/507/EEC Directive 2001/83/EEC	Instruction on the conduct of the procedure for issuance of approval for general sale of prepared pharmaceutical drugs ("Official Gazette of RM" No. 49/04)	Put into force since July 2004
	Rules concerning requirements regarding facilities, equipment and staff that have to be fulfilled by wholesalers of medicaments, remedial medicines and medical devices for human use (Official Gazette of RM No. 64/02)	Put into force since June 2002
CPMP/EWP/QWP/1401/98 The rules governing medicinal products in the European Union (mainly vol.4- Annex 13)	Instruction for examination of the Bioavailability and Bioequivalence of Pharmaceutical Drugs ("Official Gazette of RM" No. 68/04)	Put into force since October 2004
Directive 65/65/EEC Directive 92/27/EEC Directive 75/318/EEC Directive 75/319/EEC	Draft version of the Rulebook on the data that the user's manual (internal manual) should contain	Planned to be put into force
	Rulebook on the way of prescribing and issuing of drugs ("Official Gazette of RM" No.17/02)	Put into force since 2002
Source: Ministry of health, Bureau of drugs		

Timetable

List of planned changes and modifications of MK legislation		
EU legislation		Planned amendments and modifications of MK legislation
Directive 2001/83/EEC	Refers to medical products for human use	Changes are planned in the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98) according to the stated Directive. At the same time, by-laws adopted in 2004 are: Instruction on the conduct of the procedure for issuance of approval for general sale of prepared pharmaceutical drugs ("Official Gazette of RM" No. 49/04) , Instruction for examination of the Bioavailability and Bioequivalence of Pharmaceutical Drugs ("Official Gazette of RM" No. 68/04), and the Draft version of the Rulebook on the data that the user's manual (internal manual) should contain according to the stated Directive.
Directive 2002/98/EEC	Standards are set for quality and safety of gathering, testing, refining, storage and distribution of human blood and blood components, and which substitutes Directive 211/83/EEC	It is planned to pass by-laws for human blood and plasma as materials for production of drugs.
Directiva 1991/356	Refers to the principles of GMP for drugs for human use	Changes are planned on article 87-99 from the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98)
Regulativa 2003/1647	Annex to the previous Regulation	
Directiva 1998/079	Refers to <i>in vitro</i> diagnostic medical appliances.	It is planned to pass by-laws or changes on articles of the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98) which refers to medical devices.
Regulativa 1998/649	Annex is replaced from Regulation 2309/93/ EEC.	
Directiva 2003/094	Which establishes the principles and guidelines for good production practice in reference to medical products for human use and research medical products for human use.	Changes are planned on article 87-99 of the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98)
Regulativa 1995/540	Refers to reporting of suspected unexpected adverse effects that are not serious, for medical products intended for human use.	Includes changes of articles 77-79 of the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98)
Directive 78/25/EEC	Refers to approximation of the Laws of the member countries regarding the colouring substances that can be added to medical products	Includes changes of articles 87-99 of the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98) and adoption of by-laws.
Directive 81/464/EEC	Amendment to Directive 78/25/EEC for approximation of rules of the member countries regarding the colouring substances that can be added to medical products	Includes changes of articles 87-99 of the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98) and adoption of by-laws.
Regulative 807/2003/ EEC	Council Regulation (EC) No 807/2003 of 14 April 2003 adapting to Decision 1999/468/EC the provisions relating to committees which assist the Commission in the exercise of its implementing powers laid down in Council instruments adopted in accordance with the consultation procedure (unanimity)	Includes changes of articles 87-99 of the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98) and adoption of by-laws.
Directive 89/105/EEC	Refers to the transparency of measures which regulate the prices of medical products.	Changes are planned on article 115-117 from the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98)
Source: Ministry of health, Bureau of drugs		

1. Medicinal products for human use

Medicinal products for human include:

- 24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products

1. Production and Consumption**a) Installed production capacity and its utilization rate**

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	kg	5,849,083	5,882,950	5,864,140	6,031,483
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	kg	35.6	29.6	40.4	44.4
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	kg	2,083,927	1,738,527	2,368,874	2,679,299
Source: State Statistical Office					

Table: Realized Production In thousands of MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	2,771,241	2,398,939	2,867,420	2,878,069
Source: State Statistical Office				

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	4,570,782	4,088,029	4,826,079	5,118,950
Source: State Statistical Office				

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	28.7	19.3	22.3	24.4
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	606	436	429	345
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	14,982	14,707	14,088	19,757
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	2,321	3,325	3,006	2,422
Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	38,715	39,495	47,397	43,321
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	Slovenia, Croatia and Switzerland
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0	0	0	0
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	4	27	28	36
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	1,072	1,290	1,623	1,162
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	24,045	26,419	29,344	26,518
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	Serbia and Montenegro, Bosnia and Herzegovina and Croatia
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	52.7	67.2	62.5	56.6
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	117.6	137.6	130.8	134.4
Source: State Statistical Office				

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	3,938	3,992	4,125	4,197
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	1,546	1,782	1,752	2,051
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0.9	1.0	1.0	1.0
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0.8	0.9	0.9	1.0
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	7	5	6	6
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	2,075	1,912	1,881	1,779
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0.4	0.4	0.4	0.4
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	S	15	3	3	1	23	1	19	1
	M	763	3	97	2	199	3	161	1
	B	3,160	1	3,891	2	3,903	2	4,017	4
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	133,312	907,212	232,334	99,218
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	3,287,856	3,764,392	4,309,072	4,211,424
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	23	251	-	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	ALKALOID	3,082,832	1,232	Private
	JAKA 80	782,570	362	Private
	D-R PANOVSKI	160,635	53	Private
	REPLEK	139,381	75	Private
	OHIS ICN	11,792	55	Private
	LEK	338,079	47	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	745.1	932.1	931.5	1,152.8
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	966	849	777	790
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	2,392	2,210	2,373	2,146
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

There are no concrete laws for protection of the environment on the area of pharmaceutical products. This area is regulated with:

- The Rulebook on standards and normatives for physical arrangement (“Official Gazette of RM” No. 2/2002, 50/2003), which comprises the specific standards for environment protection through sanitary protection zones (from class 1 to 5), and normatives for planning of facilities for production of pharmaceutical products.

A part of the area of protection of the environment is regulated with the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices (“Official Gazette of RM” No. 21/98) with principles of good production practice that derive from this Law.

At the moment, the Guide for good production practice of the European Union is completely in use.

See [15 I II A](#), point 4.

5. Incentives

- a) For investment**
- b) For exports**
- c) Other**

See [15 I II A](#), point 5.

6. Rules on foreign investment

- a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation**
- b) Guarantees**

See [15 I II A](#), point 6.

7. Trading system

- a) Non-tariff measures affecting imports and exports, such as licences and quotas**

See [15 I II A](#), point 7.

8. Likely developments, and time-scale

- a) Investment envisaged (public sector, private sector, foreign)**
- b) Present or envisaged restructuring or modernisation plans**

See [15 I II A](#), point 8.

9. Approximation of national legislation to Community legislation

- a) List of measures, either planned or already adopted**
- b) Timetable**

Drugs for human use

Current legal regulations from the area of drugs for human use:

- Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices (Official Gazette of RM No. 21/98)
- Instruction on the conduct of the procedure for issuance of approval for general sale of prepared pharmaceutical drugs (“Official Gazette of RM” No. 49/04)
- Instruction for examination of the Bioavailability and Bioequivalence of Pharmaceutical Drugs (“Official Gazette of RM” No. 68/04)

- Rules concerning requirements regarding facilities, equipment and staff that have to be fulfilled by wholesalers of medicaments, remedial medicines and medical devices for human use (Official Gazette of RM No. 64/02)
- Rulebook on the way of prescribing and issuing of drugs (“Official Gazette of RM” No.17/02)
- Rulebook on organizing the monitoring of the way of informing and the data that are brought into relationship with established undesired side-effects when using a drug (“Official Gazette of RM” No.57/87)
- Rulebook on clinical examination of a drug (“Official Gazette of RM” No.2/89)
- Guidelines on methods for laboratory examination of drug for the purpose of selling (“Official Gazette of RM” No.34/89)
- Order on drugs which are under special control when selling (“Official Gazette of RM” No.22/88)
- Decision on unique classification of drugs (“Official Gazette of RM” No.47/85,73/85,54/90)

The reform activities which are foreseen in the pharmaceutical sector are divided into two areas:

- Legislative and regulatory frame
- Strengthening of capacities in the pharmaceutical sector

Activities related to the pharmaceutical sector:

- Completed activities
- Current activities
- Activities to follow

Legislative and regulatory frame: completed activities

1. Instruction on the conduct of the procedure for issuance of approval for general sale of prepared pharmaceutical drugs (“Official Gazette of RM” No.49/04)
2. Rulebook on internal manual
3. Instruction on bio-equivalency

Legislative and regulatory frame: current activities

1. Rulebook on medical devices
2. Preparation of Registry of drugs

Legislative and regulatory frame: activities to follow

1. Adoption of a Rulebook for border line products
2. Adoption of a Rulebook for clinical examination of drugs
3. Harmonization of the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices (“Official Gazette of RM” No. 21/98) with European regulations

Strengthening of capacities in the pharmaceutical sector (Bureau for drugs)

Current activity:

- Network connection of the information system

Activities to follow:

- software backup of the network,
- web-site of the Bureau for drugs,
- developing a database for drugs
- acceleration of the process of registration of drugs
- increased transparency of procedures

2. Veterinary medicinal products

Veterinary medicinal products include:

- 24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products

1. Production and Consumption

a) Installed production capacity and its utilization rate

Table: Installed Production Capacity					
NACE	Supplementary Unit	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	kg	5,849,083	5,882,950	5,864,140	6,031,483
Source: State Statistical Office					

Table: Utilization Rate of the Installed Production Capacity In percent					
NACE	Supplementary Unit	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	kg	35.6	29.6	40.4	44.4
Source: State Statistical Office					

b) Present production (by volume and by value)

Table: Realized Production Volume					
NACE	Supplementary Unit	2000	2001	2002	2003
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Source: State Statistical Office					

c) Domestic demand, present and forecast (for the next three years)

Table: Domestic Demand In thousands of MKD					
NACE		2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products		4,570,782	4,088,029	4,826,079	5,118,950
Source: State Statistical Office					

Forecast of domestic demand is not available.

**d) National self-supply ratio
(production – exports)
(production + imports - exports)**

Table: National Self-Supply Ratio In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	28.7	19.3	22.3	24.4
Source: State Statistical Office				

2. Trade

a) Imports (including temporary imports) by volume and by value from the rest of the world and from the EU, stating the main countries of origin

Table: Imports from the EU In tons				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	606	436	429	345
Source: State Statistical Office				

Table: Imports from the EU In thousands of Euro				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	14,982	14,707	14,088	19,757
Source: State Statistical Office				

Table: Imports from the Rest of the World In tons				
NACE	2000	2001	2002	2003
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Source: State Statistical Office				

Table: Imports from the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	38,715	39,495	47,397	43,321
Source: State Statistical Office				

Table: Imports by main countries of origin for the period 2000-2003	
NACE	Countries
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	Slovenia, Croatia and Switzerland
Source: State Statistical Office	

b) Exports (by volume and by value) to the EU and other countries of destination

Table: Exports to the EU In tons				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0	0	0	0
Source: State Statistical Office				

Table: Exports to the EU In thousands of Euro				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	4	27	28	36
Source: State Statistical Office				

Table: Exports to the Rest of the World In tons				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	1,072	1,290	1,623	1,162
Source: State Statistical Office				

Table: Exports to the Rest of the World In thousands of Euro				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	24,045	26,419	29,344	26,518
Source: State Statistical Office				

Table: Exports by main countries of origin for the period 2000-2003	
NACE	Countries
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	Serbia and Montenegro, Bosnia and Herzegovina and Croatia
Source: State Statistical Office	

c) Exports/production and imports/production ratios

Table: Exports / Production Ratio In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	52.7	67.2	62.5	56.6
Source: State Statistical Office				

Table: Imports / Production Ratio In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	117.6	137.6	130.8	134.4
Source: State Statistical Office				

3. Structural features

a) Turnover and gross value added (GVA), percentage of industry total

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	3,938	3,992	4,125	4,197
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	1,546	1,782	1,752	2,051
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0.9	1.0	1.0	1.0
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in Industry In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0.8	0.9	0.9	1.0
Source: State Statistical Office				

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	7	5	6	6
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	2,075	1,912	1,881	1,779
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in Industry In percent				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	0.4	0.4	0.4	0.4
Source: State Statistical Office				

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	S	15	3	3	1	23	1	19	1
	M	763	3	97	2	199	3	161	1
	B	3,160	1	3,891	2	3,903	2	4,017	4
Source: State Statistical Office S-Small M-Medium B-Big									

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	133,312	907,212	232,334	99,218
Source: State Statistical Office				

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	3,287,856	3,764,392	4,309,072	4,211,424
Source: State Statistical Office				

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	23	251	-	-
Source: National Bank of the Republic of Macedonia				

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output thousands of MKD	Number of Employees	Type of Ownership
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	ALKALOID	3,082,832	1,232	Private
	JAKA 80	782,570	362	Private
	D-R PANOVSKI	160,635	53	Private
	REPLEK	139,381	75	Private
	OHIS ICN	11,792	55	Private
	LEK	338,079	47	Private
Source: State Statistical Office and Ministry of Economy				

g) Production and market monopolies

Production or market monopolies in this industry do not exist in the Republic of Macedonia.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	745.1	932.1	931.5	1,152.8
Source: State Statistical Office				

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	966	849	777	790
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
24.4 Manufacture of pharmaceuticals, medicinal chemicals and botanical products	2,392	2,210	2,373	2,146
Source: State Statistical Office				

Notes for question 1 to 3:

1) c) domestic demand and 1) d) national self-supply ratio:

"For calculation of 1) c) and 1) d), import-further processing and export-further processing are deducted from the import and the export.,

1) d) national self-supply ratio:

"Negative values occur in cases when there is no domestic production, or when it is by far lower than import. Negative values are due to export of previously imported goods (re-export).

2) c) exports / production ratio and import / production ratio:

"For calculation of 2) c) import-further processing and export-further processing are included in the import and the export.,

2) c) exports / production ratio:

"Indices over 100 occur in cases when there is no domestic production, or it is very low, while the country imports goods, out of which part is exported to third countries (re-export),,

2)c) import / production ratio:

"Indices over 100 occur in cases when there is no domestic production or when it is by far lower than the recorded imports.

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use.,

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise.,

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered.,

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees.,

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

See [15 I II J](#), point 4.

5. Incentives**a) For investment****b) For exports****c) Other**

See [15 I II J](#), point 5.

6. Rules on foreign investment**a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation****b) Guarantees**

See [15 I II J](#), point 6.

7. Trading system**a) Non-tariff measures affecting imports and exports, such as licences and quotas**

See [15 I II J](#), point 7.

8. Likely developments, and time-scale**a) Investment envisaged (public sector, private sector, foreign)****b) Present or envisaged restructuring or modernisation plans**

See [15 I II J](#), point 8.

9. Approximation of national legislation to Community legislation**a) List of measures, either planned or already adopted****b) Timetable**

The area of medicines used in veterinary medicine is regulated with two laws:

- Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98)
- Law on Veterinary Health ("Official Gazette of RM " No. 28/98).
- Rulebook on the way of reporting of counter effects from use of pharmaceutical drugs and provoked incidents with medical devices, as well as the way of their monitoring and recording ("Official Gazette of RM " No.39/2002)
- Rules concerning requirements regarding facilities, equipment and staff that have to be fulfilled by wholesalers of medicaments, remedial medicines and medical devices in veterinary ("Official Gazette of RM" No. 39/2002).

New Law on Veterinary Medicines with by-laws is planned to be adopted in 2007, which will be approximated with EU legislation.

K. Tourism**1. Production and Consumption****a) Installed production capacity and its utilisation rate****Accommodation facilities**

Type of objects	Number of objects			
	2000	2001	2002	2003
Hotels and similar objects	137	142	150	152
Camping sites	14	14	13	13
Private rooms	-	-	-	-
Other objects	172	171	171	168
Total	323	327	334	333
Source: State Statistical Office				

NUMBER OF FACILITIES FOR ACCOMMODATION PER UNITS OF LOCAL SELF-GOVERNMENT

Units of local self-government	Number of objects			
	2000	2001	2002	2003
BEROVO	3	3	3	3
BITOLA	9	9	9	9
BROD	1	1	1	1
VALANDOVO	1	1	1	1
VELES	6	6	6	6
VINICA	3	3	3	3
GEVGELIJA	56	56	55	54
GOSTIVAR	26	27	27	27
DEBAR	3	3	3	3
DELCEVO	2	2	2	2
DEMIR HISAR	1	1	1	1
KAVADARCI	3	3	3	3
KICEVO	2	2	2	2
KOCANI	3	3	3	3
KRATOVO	1	1	1	1
KRIVA PALANKA	2	2	2	2
KRUSEVO	5	5	5	5
KUMANOVO	7	7	8	8
NEGOTINO	2	2	2	2
OHRID	47	49	50	51
PRILEP	1	1	1	3
PROBISTIP	1	1	1	1
RADOVIS	2	2	2	2
RESEN	51	48	49	47
SVETI NIKOLE	2	2	2	2
GAZI BABA	4	4	4	4
KARPOS	9	9	11	10
KISELA VODA	1	2	1	-
CENTAR	22	25	29	30
CAIR	1	1	1	1
STRUGA	15	15	15	15
STRUMICA	8	8	8	8
TETOVO	18	18	18	18
STIP	5	5	5	5
TOTAL	323	327	334	333
Source: State Statistical Office				

ACCOMODATION FACILITIES PER NUMBER OF BEDS

Type of objects	Number of beds			
	2000	2001	2002	2003
Hotels and similar objects	13944	14110	14230	13893
Camping sites	12608	12608	12582	11158
Private rooms	26138	26138	25858	25953
Other objects	17450	17551	17479	17532
Total	70140	70407	70149	68536
Source: State Statistical Office				

NUMBER OF BEDS PER UNITS OF LOCAL SELF-GOVERNMENT

Units of local self-government	Number of beds			
	2000	2001	2002	2003
BEROVO	301	330	329	329
BITOLA	1080	1118	1115	1108
BROD	38	38	38	30
VALANDOVO	30	30	30	30
VELES	723	724	724	827
VINICA	106	111	111	89
GEVGELIJA	6641	6641	6588	4853
GOSTIVAR	1924	1936	1934	1925
DEBAR	529	529	529	534
DELCEVO	266	266	266	236
DEMIR HISAR	38	38	38	38
KAVADARCI	375	375	380	380
KICEVO	115	115	115	111
KOCANI	345	343	343	323
KRATOVO	56	56	56	56
KRIVA PALANKA	118	118	118	98
KRUSEVO	710	710	1443	1522
KUMANOVO	462	462	477	467
NEGOTINO	238	238	238	238
OHRID	28272	28335	27788	28164
PRILEP	142	142	142	219
PROBISTIP	54	54	54	54
RADOVIS	109	109	109	109
RESEN	7844	7830	7810	7928
SVETI NIKOLE	191	191	191	191
GAZI BABA	931	931	931	882
KARPOS	631	633	666	637
KISELA VODA	61	93	68	-
CENTAR	3799	3870	3480	3366
CAIR	168	168	168	168
STRUGA	11764	11764	11764	11582
STRUMICA	548	548	548	493
TETOVO	1170	1200	1200	1191
STIP	361	361	358	358
TOTAL	70140	70407	70149	68536
Source: State Statistical Office				

NUMBER OF BEDS PER REGION

REGIONS	Number of beds			
	2000	2001	2002	2003
PELAGONIA	9814	9838	10 548	10 815
VARDAR	1336	1337	1342	1445
NORTH -EAST	636	636	651	621
SOUTH-WEST	40 718	40 718	40 234	40 421
SKOPJE	5590	5695	5313	5053
SOUTH-EAST	7328	7328	7275	5485
POLOG	3094	3136	3134	3116
EASTERN	1624	1656	1652	1580
TOTAL	70 140	70 407	70 149	68 536
Source: State Statistical Office				

Republic of Macedonia has a well developed infrastructure of hotels and other objects, as well as restaurants, where the number of beds dominates in the complementary objects. The objects are of good quality and are well equipped. However, significant part of the most of the catering objects have to be repaired, modernized and equipped, because of the fact that we are considering the big objects that require larger investments, and for which the privatization process finished in the past few years. In accordance with the Law from the year 1995, and as a result of the delayed privatization and the circumstances in the country, significant number of accomodation facilities have not been put into categories and harmonized with the international standards. However, the new laws on catering and tourism raise this issue on a priority and obligatory level. The increase of the number of beds in the private rooms is notifiable, and they are also obliged to take care for the international standards for certain category of service.

Table: Number of catering objects				
	2000	2001	2002	2003
Classic restaurants	206	214	261	266
Coffee shops	364	195	232	317
Buffets	243	277	189	239
Workers canteens	116	96	90	88
Kebab-restaurants	101	114	110	104
Other catering business units	768	876	880	746
Total	1798	1772	1762	1760
Source: State Statistical Office				

UTILIZATION OF THE CAPACITY OF THE ACCOMMODATION FACILITIES

Table: Number of nights per bed				
Type of object	2000	2001	2002	2003
Hotels and similar objects	63.2	32.8	43.3	48.1
Camping sites	11.7	5.0	11.2	13.5
Private rooms	32.5	16.0	26.7	30.6
Other objects	31.9	17.7	23.1	22.4
Total	34.7	17.8	26.4	29.3
Source: State Statistical Office				

Utilization is the highest with the hotels and similar objects because of the lesser effect of the changes of seasons on these objects.

UTILIZATION OF THE ACCOMMODATION FACILITIES PER UNITS OF LOCAL SELF-GOVERNMENT

Units of local self-government	Number of nights per bed			
	2000	2001	2002	2003
BEROVO	-	49,5	26,5	14,8
BITOLA	75,0	45,8	63,4	65,2
BROD	6,7	19,9	10,6	15,8
VALANDOVO	65,5	32,1	27,6	37,2
VELES	41,9	37,3	25,7	19,8
VINICA	5,6	8,2	8,2	27,2
GEVGELIJA	16,0	11,1	10,0	26,4
GOSTIVAR	38,3	10,5	7,0	17,7
DEBAR	119,1	47,5	94,1	84,7
DELCEVO	42,7	37,5	73,8	21,4
DEMIR HISAR	18,2	2,4	8,4	7,1
KAVADARCI	24,1	40,2	38,0	34,5
KICEVO	105,7	62,5	59,4	33,8
KOCANI	12,8	19,0	25,7	12,4
KRATOVO	16,6	6,8	6,5	6,9
KRIVA PALANKA	17,7	-	-	23,1
KRUSEVO	41,8	27,7	27,2	30,2
KUMANOVO	35,8	22,7	12,7	8,0
NEGOTINO	15,6	19,4	30,9	5,6
OHRID	40,4	20,1	33,4	34,9
PRILEP	32,8	17,8	14,8	15,6
PROBISTIP	-	6,5	2,1	-
RADOVIS	36,1	27,4	1,1	2,5
RESEN	15,1	6,9	11,1	10,2
SVETI NIKOLE	10,0	4,3	1,3	0,4
GAZI BABA	50,8	22,1	28,0	46,4
KARPOS	53,9	33,1	31,0	37,1
KISELA VODA	106,0	24,4	7,1	-
CENTAR	31,3	27,8	34,0	39,5
CAIR	-	-	-	-
STRUGA	33,5	8,7	23,3	26,6
STRUMICA	90,4	87,2	76,4	80,5
TETOVO	51,2	22,4	7,9	4,6
STIP	15,0	16,7	24,9	16,0
TOTAL	34,7	17,8	26,4	29,3
Source: State Statistical Office				

UTILIZATION OF THE ACCOMODATION FACILITIES PER REGION

REGIONS	Number of nights per bed			
	2000	2001	2002	2003
PELAGONIA	23.9	13.0	18.8	18.7
VARDAR	32.2	35.0	30.1	21.4
NORTH-EAST	30.7	17.1	9.9	10.2
SOUTH-WEST	39.6	17.3	31.3	33.1
SKOPJE	37.0	26.6	31.1	39.1
SOUTH-EAST	22.1	17.2	15.0	30.8
POLOG	43.2	15.1	7.3	12.7
EASTERN	14.6	24.7	28.7	14.0
TOTAL	34.7	17.8	26.4	29.3
Source: State Statistical Office				

If we take into consideration the fact that the greatest participation in the realized tourist turnover is the participation of the domestic tourism, than it is completely clear that the elasticity of the offers to tourists and the standard of the domestic population have significant influence on the degree of utilization of the capacities. In spite of this, we have to take into consideration that the operative nature of the highest number of the complementary objects (hotels) is such, that they work during the season, and this fact has a significant influence on the utilization of the objects.

b) Present production (by volume and by value)

Table: Tourist turnover in the Republic of Macedonia				
	2000	2001	2002	2003
1. Number of tourists				
Total	632 523	333 308	441 712	483 151
Domestic	408 507	234 362	318 851	325 459
Foreign	224 016	98 946	122 861	157 692
Participation in the total number in %				
Total	100.0	100.0	100.0	100.0
Domestic	64.6	70.3	72.2	67.4
Foreign	35.4	29.7	27.8	32.6
2. Number of nights				
Total	2 434 639	1 254 582	1 850 384	2 006 867
Domestic	1 940 772	1 041 831	1 575 664	1 660 667
Foreign	493 867	212 751	274 720	346 200
Participation in the total number in %				
Total	100.0	100.0	100.0	100.0
Domestic	79.7	83.0	85.2	82.7
Foreign	20.3	17.0	14.8	17.3
Source: State Statistical Office				

The domestic tourism participates with a larger part in the total tourism turnover. The unstable region and the crisis in the Republic of Macedonia influenced on the low participation of foreign tourists compared with the domestic tourists, in the total realized turnover in some years. The visits of foreign tourists to the Republic of Macedonia is connected with the business, seminars and transit tourism in the larger scope. In any case, the percentage of participation of the foreign tourists is increased in comparison with the previous period that is presented in the table, as well as in comparison with the period before the date when the country became an independent state.

TOURISM TURNOVER PER TYPES OF OBJECTS

Type of objects	Number of tourists			
	2000	2001	2002	2003
Hotels and similar objects	397872	211701	269459	294418
Camping sites	22803	9704	16944	19113
Private rooms	86384	41497	71506	81870
Other objects	125464	70406	83803	87750
Total	632 523	333 308	441 712	483 151
Source: State Statistical Office				

TOURISM TURNOVER PER TYPES OF OBJECTS

Type of objects	Number of nights			
	2000	2001	2002	2003
Hotels and similar objects	881792	463274	615650	668383
Camping sites	147891	63138	140384	150768
Private rooms	848189	417232	691235	794250
Other objects	556767	310938	403115	393466
Total	2 434 639	1 254 582	1 850 384	2 006 867
Source: State Statistical Office				

TOURISM TURNOVER PER UNITS OF LOCAL SELF-GOVERNMENT

Units of local self-government	Number of nights			
	2000	2001	2002	2003
BEROVO	-	16321	8723	4872
BITOLA	80988	51165	70724	72276
BROD	254	756	403	474
VALANDOVO	1966	964	827	1116
VELES	30295	27034	18619	16412
VINICA	593	907	914	2420
GEVGELIJA	106192	74005	65951	128016
GOSTIVAR	73609	20281	13461	34076
DEBAR	63025	25106	49758	45229
DELCEVO	11359	9987	19637	5062
DEMIR HISAR	690	90	321	271
KAVADARCI	9043	15086	14438	13117
KICEVO	12157	7185	6830	3747
KOCANI	4404	6501	8802	4005
KRATOVO	931	378	363	384
KRIVA PALANKA	2088	-	-	2268
KRUSEVO	29669	19634	39320	45986

KUMANOVO	16535	10483	6076	3713
NEGOTINO	3705	4616	7354	1330
OHRID	1142996	569243	929351	981610
PRILEP	4651	2523	2095	3419
PROBISTIP	-	351	114	-
RADOVIS	3936	2982	125	269
RESEN	118666	54085	86368	80472
SVETI NIKOLE	1907	822	246	78
GAZI BABA	47292	20553	26078	40922
KARPOS	34020	20982	20617	23663
KISELA VODA	6465	2268	484	-
CENTAR	118775	107720	118174	132805
CAIR	-	-	-	-
STRUGA	393542	101815	273990	307962
STRUMICA	49521	47785	41892	39699
TETOVO	59962	26936	9423	5460
STIP	5403	6018	8906	5734
TOTAL	2434639	1254582	1850384	2006867
Source: State Statistical Office				

TOURISM TURNOVER PER REGION

REGIONS	Number of nights			
	2000	2001	2002	2003
PELAGONIJA	234 664	127 497	198 828	202 424
VARDAR	43 043	46 736	40 411	30 859
NORTH-EAST	19 554	10 861	6439	6365
SOUTH-WEST	1 611 974	704 105	1 260 332	1 339 022
SKOPJE	206 552	151 523	165 353	197 390
SOUTH-EAST	161 615	125 736	108 795	169 100
POLOG	133 571	47 217	22 884	39 536
EASTERN	23 666	40 907	47 342	22 171
TOTAL	2 434 639	1 254 582	1 850 384	2 006 867
Source: State Statistical Office				

The biggest part of the tourism turnover in the year 2003 is realized in the private rooms, representing 39.6%, and in the hotels and similar objects, representing 33,3%. In regard with the units of local self-government, the lake sites dominate per number of nights (Ohrid, Struga) as well as Skopje. The realized nights in Gevgelija are result of the transit traffic and nights spent in Dojran which is a lake site.

FOREIGN TOURISM TURNOVER IN THE REPUBLIC OF MACEDONIA

Country of origin	Number of tourists			
	2000	2001	2002	2003
Austria	2559	1300	1919	2564
Albania	24747	6419	9086	12088
Belgium	1759	814	970	1243
Belarus	452	166	154	157
Bosnia and Herzegovina	1841	1377	1885	2687
Bulgaria	27623	8484	11703	14147
Great Britain	6693	4357	3916	4517
Germany	10349	4860	6084	6317
Greece	21304	10637	14677	27042
Denmark	2468	704	786	1048
Ireland	672	389	525	482
Island	134	119	153	159
Italy	4410	2511	3076	3626
Norway	2304	885	1059	1108
Poland	1134	725	1095	1029
Portugal	487	226	308	432
Romania	1759	1101	1255	1330
Russian Federation	3078	1647	1246	1352
Slovakia	445	311	481	559
Slovenia	5288	2658	3837	4579
Serbia and Montenegro	35522	16429	23239	27325
Ukraine	6347	3405	908	706
Hungary	2372	2130	1985	2173
Finland	1278	711	683	768
France	4768	2313	2542	3513
The Netherlands	6809	1564	2016	2470
Croatia	4651	2609	4097	5467
Czech Republic	1032	560	927	1155
Switzerland	1868	934	965	1485
Sweden	2033	962	1082	1503
Spain	1286	879	842	1386
Other European Countries	3531	1734	1767	2689
Australia	1578	586	844	1187
New Zealand	200	77	128	99
Canada	1711	747	776	970
USA	15312	7099	6997	7403
Israel	595	375	430	526
Japan	1025	419	594	1076
Turkey	6700	3101	5180	5755
Other non-European Countries	5892	2622	2644	3570
Total	224 016	98 946	122 861	157 692
Source: State Statistical Office				

The foreign tourism turnover in the Republic of Macedonia has an increasing tendency as of the year 2001, i.e. as of the crisis until today, the trends show that we will reach the results realized in the year 1991. Some Eastern and Northern European countries, that dominated in the realized tourism turnover in the Republic of Macedonia, today have a decrease in their participation, i.e. there are

other countries that show new and fast-growing interest regarding the Republic of Macedonia. The table shows the importance if the neighbouring countries, Serbia and Montenegro, Greece, Bulgaria, Albania, that significantly participate in the realized turnover; than Germany, Turkey, Croatia, Slovenia, etc. The positive movements are present with the foreign visitors from the non-European countries, such as USA, Australia, etc.

TURNOVER OF FOREIGN TOURISM IN THE REPUBLIC OF MACEDONIA

Country of origin	Number of nights			
	2000	2001	2002	2003
Austria	5169	2883	3715	4704
Albania	65141	11510	20665	24095
Belgium	3202	1606	1850	2746
Belarus	1208	328	382	493
Bosnia and Herzegovina	3781	2415	4091	5494
Bulgaria	59027	17177	24413	28772
Great Britain	14051	12419	9274	10708
Germany	25222	11598	14849	16390
Greece	39229	19867	30730	53447
Denmark	4948	1418	1483	2497
Ireland	1124	973	1629	1119
Island	227	218	289	291
Italy	9476	5646	6694	8120
Norway	5104	1790	2220	2832
Poland	2813	2402	3600	3543
Portugal	808	422	620	1028
Romania	4560	2576	2852	3144
Russian Federation	9275	5140	3488	3936
Slovakia	754	577	1783	1272
Slovenia	10993	4804	7546	9262
Serbia and Montenegro	79087	31946	50496	58799
Ukraine	11685	10215	2871	1760
Hungary	3835	4154	3825	4014
Finland	2020	1070	1132	1376
France	7887	5051	5986	10115
The Netherlands	11159	3864	4876	6874
Croatia	10218	5178	8537	11313
Czech Republic	3252	1616	2687	3202
Switzerland	3636	1897	1996	3595
Sweden	4015	2120	2442	3472
Spain	2388	1581	1515	2704
Other European Countries	8408	3759	3225	4910
Australia	3592	1486	2044	2763
New Zealand	436	206	283	170
Canada	3267	1562	1791	2238
USA	39337	18039	19363	20013
Israel	1444	691	830	1176
Japan	2090	975	1219	2345
Turkey	17037	6103	10615	11250
Other non-European countries	12962	5469	6814	10218
Total	493 867	212 751	274 720	346 200

Source: State Statistical Office

c) Domestic demand, present and forecast (for the next three years)

As a result of the great part in the total turnover, the domestic demand has significant influence on the results within this business. The situation may be changed in the future years as a result of the increase of the competition, in spite of the fact that we have to take into consideration the demand on the domestic market, as well as its limited purchase power. In accordance with the forecasts and the Studies of the Master Plan for development of the tourism, the demand will be directed more towards the lake sites, i.e. as it was before, with tendency to increase the future transit tourism.

d) National self-supply ratio

	Current account of the Republic of Macedonia – services (in millions of US Dollars)			
	2000	2001	2002	2003
TOURISM – net	3.14	-13.38	-5.51	8.73
INFLOW	37.42	25.14	39.02	56.68
OUTFLOW	34.28	38.51	44.53	47.95
Source: State Statistical Office				

The total realized currency inflow from tourism in the year 2003 is in the amount of USD 56,68 million. USD, the currency outflow was 47,95 million.USD, which means that we have a positive balance from tourism, in the amount of 8,73 million.USD. Compared with the year 2002, we realized an increase of 45,26%, by which we realized the highest currency inflow in the past 15 years in the tourism sector.

2. Trade/ exchange of goods

The trade and the exchange of tourist services is regulated in compliance with the fulfilment of the minimum technical conditions of the facilities. The exchange is performed without limits in respect with the domestic and foreign market, as well as in respect with the domestic and foreign persons that perform the business.

3. Structural features**a) Turnover and gross value added (GVA), percentage of industry total**

Table: Gross Output In million MKD				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	5,732	5,484	6,328	7,006
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	1,993	1,834	2,135	1,603
Source: State Statistical Office				

Table: Gross Value Added In million MKD				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	3,463	3,410	4,088	4,653
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	620	657	679	203
Source: State Statistical Office				

Table: Gross Output / Total Gross Output in Industry In percent				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	1.4	1.3	1.5	1.6
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	0.5	0.4	0.5	0.4
Source: State Statistical Office				

Table: Gross Value Added / Total Gross Value Added in the Economy In percent				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	1.8	1.8	2.1	2.2
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	0.3	0.3	0.4	0.1
Source: State Statistical Office				

The total revenue in the sector tourism and catering continues to grow, as a result of the increase of the number of objects, physical traffic, as well as the permanent growth of the quality of the accommodation offer and other offers.

b) Number of enterprises

Table: Number of Enterprises				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	2,269	2,242	2,245	2,381
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	326	261	209	204
Source: State Statistical Office				

c) Number of jobs, percentage of total of jobs in industry

Table: Number of Employees				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	14,665	14,261	14,064	13,776
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	1,026	843	644	462
Source: State Statistical Office				

Table: Number of Employees / Total Number of Employees in the Economy In percent				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	3.0	3.0	2.9	3.0
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	0.2	0.2	0.1	0.1
Source: State Statistical Office				

It may be noticed that the number of employed persons in the catering and tourism remains at the same level with small amplitudes, and it is expected to have a slight increase in the future years. The tendency to rationalize the number of permanent employees is present, as well as the tendency to increase the number of seasonal workers; the reason for this tendency is the fact that most of the accommodation facilities work only during the season.

d) Structure of enterprises: size distribution; production - degree of concentration (by turnover) of the sector; annual investment over the past five years; plant and machinery; plant and machinery in active use

The table below shows a review of the number of tourism enterprises per size:

Table: Structure of Enterprises In thousands of MKD									
NACE	Size of the enterprise	2000		2001		2002		2003	
		Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises	Gross output	Number of enterprises
55 Hotels and restaurants	S	3,640	2,249	4,080	2,224	4,791	2,226	4,711	2,358
	M	1,505	17	889	15	691	10	1,649	17
	B	587	3	515	3	846	9	647	6
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	S	1,993	326	1,834	261	2,135	209	1,603	204
	M	-	-	-	-	-	-	-	-
	B	-	-	-	-	-	-	-	-

Source: State Statistical Office

The privatization process influenced the opening of a number of small catering objects and accommodation capacities in private ownership, which opened a room for new employments; the international norms and standards in this sector have been incorporated by the state, by means of the legislation, as well as through the licensing and categorization.

Table: Investments in Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	356,214	196,834	300,339	182,584
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	2,999	1,596	3,514	1,150

Source: State Statistical Office

Table: Value of Active Fixed Assets In thousands of MKD				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	8,404,248	7,492,288	8,690,897	9,295,973
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	247,032	398,890	435,287	237,408

Source: State Statistical Office

Statistical data for the remaining issues of the question 3 d) are not available.

e) Foreign capital and technology

Table: Foreign Direct Investments In thousands of US Dollars				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	134	1,283	1,647	7,200
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	-	-	-	1

Source: State Statistical Office

f) Which are the chief companies in terms of employment? In terms of physical output? Are they publicly or privately owned?

Table: The Largest Enterprises				
NACE	Enterprises	Gross Output in thousands of MKD	Number of Employees	Type of Ownership
55 Hotels and restaurants	MAKEDONIJATURIST	299,127	323	Private
	SJ COMPANY	240,282	133	Private
	K.A.K..	227,151	176	Private
	HOTELS – METROPOL	204,965	124	Private
	INTERNATIONAL HOTELS	160,182	144	Private
	BISERKA	46,099	190	Private
	JUGOSVEN	158,164	221	Private
	OHRID-TOURIST	71,850**	145**	Private
	INTERNATIONAL	33,352	107	Private
	ADG PELAGONIJA	79,060	173	Private
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	INTERKONG	119,689**	10**	Private
	PALACETOURIST	16,569**	11**	Private
	AVIOTOURS	89,987	12	Private
	SAVANA	57,670	11	Private
	FRA-MA	93,798**	11**	Private
	KALIJA	36,582**	27**	Private
	MERGIMI	35,164	12	Private
	MATA	5,555	10	Private

Source: State Statistical Office

g) Production and market monopolies

Since the tourism turnover in the Republic of Macedonia is realized and dependent on the elasticity of the domestic tourist demand, the influence of the competition in the business with tourism is great. The legislation in the catering and tourism provides equal treatment of all participants in this business activity, and in that manner it prevents market and marketing monopolies.

h) Productivity per employee and per hour worked

Table: Productivity per Employee In thousands of MKD				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	236.1	239.1	290.7	337.8
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	604.6	779.0	1,055.1	440.1

Source: State Statistical Office

After the period of decrease of the gross value of production in the years 2000 – 2001, the increase of the productivity in the years 2002 and 2003 is obvious, and it is expected that this trend will continue in the year 2004.

i) Wage and salary costs and costs of materials in the industry

Table: Compensation of Employees In million MKD				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	2,535	2,535	2,486	2,452
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	505	560	611	133
Source: State Statistical Office				

Table: Intermediate Consumption In million MKD				
NACE	2000	2001	2002	2003
55 Hotels and restaurants	2,268	2,074	2,240	2,353
63.3 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.	1,372	1,177	1,456	1,400
Source: State Statistical Office				

Notes for question 1 to 3:

3) d) Structure of enterprises:

"State Statistical Office does not possess data for plant and machinery and plant and machinery in active use,."

3) f) Largest enterprises:

"Gross output has been used as a indicator for the production of the enterprise,."

3) f) Largest enterprises:

"The symbol * next to the name of the enterprise indicates that the presented NACE activity is auxiliary to the enterprise. The enterprise is not registered for the auxiliary NACE activity at the State Statistical Office. These data have been prepared by the Ministry of Economy".

3) f) Largest enterprises:

"The symbol ** next to the figures for gross output and number of employed indicates that the data is for 2002. Data for 2003 do not exist. Included are enterprises which are important for the presented NACE activity."

3) f) Largest enterprises:

"Enterprises with less than 10 employees were not considered,..."

3) h) Productivity per employee:

"In the Republic of Macedonia, there are not available data for hours worked. Because of this, it is not possible to calculate productivity per hour worked. Productivity per employee is calculated as a ratio between the Gross value added and the number of employees,..."

4. Sector-specific standards and technical regulations, including sector-related requirements for environmental protection

The sector-specific standards and technical regulations are based on the following:

Law on Catering Industry("Official Gazette of RM" nr. 62/2004)

Law on Tourism ("Official Gazette of RM" nr. 62/2004). The implementation of these two laws will start as of the date of establishing of the councils of the municipalities and the town of Skopje and the election of mayors of the municipalities and the mayor of the town of Skopje, after conducting the first future elections in accordance with the Law on local elections("Official Gazette of RM" No. 60/04).

Law on fees for temporary residence ("Official Gazette" nr. 19/96, 26/02 and 51/03),

Rulebook on minimum technical conditions for performing of catering and tourism business and the conditions for categorization of the facilities of the tourism offer (with attachments) ("Official Gazette of RM" nr. 59/95; 19/96; 38/97; 57/97; 41/2004).

Decision on determining of the working hours of the catering facilities for accommodation and catering facilities for nutrition, tourist bureaus and tourist agencies, ("Official Gazette of RM" nr. 28/2003; 49/2004).

Rulebook on the form and the content of the license for performing of a tourism business, as well as the form, the content and the manner of keeping of the registry of issued licenses ("Official Gazette of RM" nr. 28/2003).

The Program for General advertising and informative activity on tourism in the Republic of Macedonia for the year 2004. ("Official Gazette of RM" nr. 15/2004)

The strategy of development of the Macedonian tourism is based on the principle of sustainable development, since the protection of the environment is the most worth resource of the tourism. The requests for environmental protection in the surroundings of the tourism activity, as well as in other social segments, are settled with the following laws: The Law on Nature Protection ("Official Gazette of RM" nr. 67/2004); Law on managing with the garbage ("Official Gazette of RM" nr. 68/2004); The Law on the quality of the ambient air ("Official Gazette of RM" nr. 62/2004) and the Law on Waters ("Official Gazette" 4/98), as well as with the *lex specialis* in the activity – Law on Catering Industry, Law on Tourism and other bylaws– Rulebook on minimum technical conditions for performing of the catering and tourism business and the conditions for categorization of the facilities of the tourism offer, etc.

5. Incentives

a) For investment

The development of the tourism in the Republic of Macedonia is based on the following:

- Macro-economy policy passed by the Government of the Republic of Macedonia;
- The Company Law ("Official Gazette of RM" nr. 28/2004)
- Legislation within the activity;
- Physical Plan of the Republic of Macedonia;
- The National Strategy for Development of Small and Medium Enterprises;
- The Program for measures and activities for support of the entrepreneurship and providing competition for the small and medium sized enterprises in the Republic of Macedonia, representing an operational manner of acting towards the policy and strategy of medium and small enterprises, through various forms of financial and non-financial support, which obtains conditions for opening of new working posts and decrease of the number of unemployed persons, increase of the export and providing conditions for growth of the living standard of the citizens through their work.
- The low growth and the limited competitiveness within the entrepreneurs and small and medium sized enterprises, are result of the unfavourable access to the financial sources, as well as the high financial expenses. As a result of the high expenses, the basic long-term financial source of the small and medium enterprises in the past period of time were the foreign credit lines, provided by bilateral and multilateral creditors (donors). It is estimated that in the future period also, these financial sources will play a significant role in securing the necessary financial sources of the development of the micro-small and medium businesses.
- Annual programs for general advertising and informative activity on tourism in the Republic of Macedonia in which the priority activities for informing of tourists on foreign market and foreign visitors in the country are located. The program activities refer to the printed advertising material, presentations and fair exhibitions on foreign tourist markets, visits of foreign tourist reporters, activities for international cooperation in regard with increasing of the quality of services etc.

b) For exports

Any special incentives for investments in tourism are not determined, i.e the investment conditions are not of selective and priority character in regard with the other activities.

c) Other

The investments in tourism are more remarkable in the past few years, and the reason for this is the fact that the transformation of the social and state capital was performed in a very slow manner in this sector, which was not the case in other industrial branches. The biggest investments are made in the catering services and, basically, they refer to the reconstruction and modernization of the existing facilities. In the same time, the private sector invests in small hotels and other catering facilities, tending to keep the standards for certain category.

The privatization in the tourism was completed earlier, and, with the introduction of the licenses for the tourist agencies, the quality of the offered services is increased.

6. Rules on foreign investment

The foreign investments in the tourism are in the frame of the National strategy for foreign direct investments, i.e. the Republic of Macedonia offers to the foreign investors a guaranteed equal treatment of all investors; Macedonia is a member of the MIGA; contracts for mutual protection of investments have been concluded with 26 countries. There are no restrictions for entrance of a foreign capital in the tourism and catering in the Republic of Macedonia, except in the areas where the activity is connected with the protection of the historical monuments and cultural treasures.

a) Characteristics: Restrictions on foreign participation, financial participation in particular; tax benefits rules on profit repatriation

There are no restrictions on foreign investments in this area and there are no rules on tax benefits for profit repatriation in the tourism and catering sector.

b) Guarantees

The general rules and benefits that refer to the foreign investors that invest in the Republic of Macedonia are in effect for investments in tourism too.

7. Trading system

The trading system in the activity does not make restrictions in respect with the exchange of services on the domestic and foreign market as well as in respect with the domestic and foreign persons that perform the activity.

8. Likely developments, and time-scale

a) Investment envisaged (public sector, private sector, foreign)

With the completion of the privatization process in the tourism sector, it is expected to have healing of the development of the tourism activities, where the initiative of the private sector will be directed towards the development of the accommodation capacities and the tourism infrastructure, as well as towards the general tourism advertising of the country; including the public sector in this action will be made through improvement of the condition of the elected tourism locations, equipping of the main communication routes and access road with an adequate signalization; preparation of the public private partnerships, especially with the local self-government for specific development projects; regional and cross border tourism cooperation, as well as tendency to provide incentives through the taxation policy for certain investments, and to activate adequate investment resources.

b) Present or envisaged restructuring or modernisation plans

One of the priority tasks, determined with the Annual program for macro-economy development of the Republic of Macedonia is the quality and rational managing with the state budget, and in the scope of that, with the tourism sector also. The reconstruction and modernization plans are in the

authority of the private sector and are in a great extent dependent on the credit conditions, i.e. the existence of the credit lines for small and medium enterprises.

9. Approximation of national legislation to Community legislation

The law on Catering Industry and the Law on Tourism are entirely harmonized with the European legislation (The Directive of the UE 90/314 is transposed in our legislation) The harmonization refers to the travels and package deals, including tourism services of good quality in the contracts between the suppliers of services and the users of services, as well as other adequate conditions for stay of tourists, by which it indirectly refers to the catering activities etc. Upon passing of these laws, the services of EU experts in the scope of the legislation were used, as well as a comparative legislation from several EU countries.

a) List of measures, either planned or already adopted

On the basis of the Law on Catering Industry and the Law on Tourism („Official Gazette of RM” nr. 62/2004) which are harmonized with the European legislation, The Ministry of Economy prepares the provisions and acts that arise out of them, such as the secondary law acts: Rulebook for minimum technical conditions for performing of catering activities; Rulebook on performing of tourism activities; Rulebook on categorization of facilities of the tourism offer and many rulebooks on forms that are prescribed for keeping evidence in accordance with this laws.

b) Timetable

The Ministry of Economy will pass all secondary law acts and provisions that are considering more precisely the Law on Catering Industry and the Law on Tourism, within the period of six months as of the date of passing of the laws (first half of the year 2005).

Section III SUPPLEMENTARY QUESTIONS

1. Supplementary question on the iron and steel industries (including ferro-alloys): Please provide a summary update on the situation of the Restructuring and Conversion Programme for the Steel Industry (see Protocol 2 to the Stabilisation and Association Agreement).

Pursuant to Article 23 of the Stabilization and Association Agreement signed by and between the European Union and Republic of Macedonia in April 2001, and based on the provisions of Protocol 2 referring to iron and steel products, the Government of the Republic of Macedonia committed to preparing a National Restructuring and Conversion Programme in the Steel Industry.

With the decision passed at the 33rd Session of the Government of the Republic of Macedonia, the Ministry of Economy along with the competent ministries committed to preparing an Outline National Programme for the steel industry and providing assistance to its implementation for a time period of five years. To that effect, for the period 2000 – 2006, resources have been allocated within the frames of the CARDS Programme (Regulation of the European Union Council no. 2666/2000) for preparation of the National Restructuring and Conversion Programme in the Steel Industry, as a support to this specific sector in the context of preparation of the National Plan for Economic Development.

Pursuant to Article 36, paragraph 5 of the Law on the Government of the Republic of Macedonia (“Official Gazette of RM” No.59/00, 12/03), and related to the Protocol 2 of the Stabilization and Association Agreement, the Government of the Republic of Macedonia on the Session held on 19th June, 2004 has adopted the National Restructuring and Conversion Programme in the Steel Industry, and European Commission has been informed about this matter.

The National Restructuring and Conversion Programme in the Steel Industry has been prepared by a foreign consulting firm that was selected by tender, namely the Euro Strategy Consultants (UK) in cooperation with the Ministry of Economy's Steel Unit.

See [15 Annex 01](#)

2. Supplementary questions on the chemical industry:

- a) Pricing system for raw materials in the petrochemicals and fertiliser sectors?**
- b) Is there any law(s) on the classification, packaging and labelling of chemicals?**
- c) Does domestic law distinguish between dangerous substances and preparations?**
- d) Does domestic law make a distinction between chemicals?**
- e) Are there separate regulations for the classification, packaging and labelling of chemicals, on the basis of these distinctions?**
- f) What is the law relating to the classification, labelling and packaging of dangerous chemicals?**
- g) What are the regulations governing the placing on the market and use of dangerous substances and preparations?**
- h) What are the regulations governing the placing on the market of detergents?**
- i) What are the regulations on fertilisers?**
- j) What is the law on the manufacture and marketing of drug precursors?**
- k) What are the regulations relating to the certification and transfer of explosives for civil use?**

a)

The Republic of Macedonia does not produce petrochemical raw materials and the same are imported. Macedonia produces NPK fertilizers that contain three components (nitrogen, phosphorus and potassium), and the prices are freely formed.

b)

The area of classification, packaging and labelling of chemicals, pursuant to the EU guidelines (67/548/EEC, 2001/59/ EEC), will be further regulated with the Law on Chemicals that is in the process of drafting, as well with the by-laws derived from that law.

For the time being, this area is covered by the provisions of the following laws and rulebooks:

- Law on Traffic of Toxins ("Official Gazette of RM" No.13/91)
- Law on Production of Toxins ("Official Gazette of RM" No. 18/76)
- Law on Transport of Dangerous Materials ("Official Gazette of RM" No. 27/90, 45/90, 12/93)
- Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98)
- Law on Precursors ("Official Gazette of RM" No. 37/2004)
- Rulebook on labelling toxic substances which are on sale on the domestic market ("Official Gazette of SFRY" No. 32/86)
- Rulebook on the way of destroying unused poisons and wrapping material used for packing poisons and on the way of withdrawing poisons out of sale ("Official Gazette of SFRY" No.7/83)

c)

The existing national legislation fully distinguishes between the chemical substances as dangerous materials and the preparations made from these dangerous materials, by completely separating the procedures for determining their toxicity, efficiency and quality, i.e. sale, which can be illustrated by the following example:

The provisions of the Law on Traffic of Toxins ("Official Gazette of RM" No.13/91) designate as toxins the substances of natural and synthetic origin and the preparations produced from these substances, which, if entered in the organism, can damage the life and the health of the people and have a harmful impact on the environment.

The Law on Pharmaceutical Drugs, Supplementary Treatment Substances, and Medical Devices ("Official Gazette of RM" No. 21/98) defines pharmaceutical drugs as substances or combination of substances intended for treatment, diagnosing or eradication of diseases, as well as the products with the same purpose.

Pursuant to the Law on Precursors ("Official Gazette of RM" No. 37/2004), a precursor is a sorted substance, stated in the Article 3 of this law, mixtures containing these substances, as well as the products of natural origin from which precursors can be easily extracted.

d)

The national legislation differentiates the chemicals in accordance with the purposes of each law as follows:

- The Rulebook on the Criteria for Toxin Categorization in Groups and the Methods for Determining the Level of Toxicity of Certain Toxins ("Official Gazette of SFRY" No. 1/83, 79/91) is derived from the Law on Traffic of Toxins ("Official Gazette of Republic of Macedonia" No. 13/91). Pursuant to the Rulebook the toxins are categorized in three groups of toxicity.
- The Law on Transport of Dangerous Materials ("Official Gazette of RM" No. 12/93) differentiates the dangerous materials according to their characteristics in nine classes, namely class 1a- explosive materials, class 1b-articles filled with explosive materials, class 1c-igniters, firework articles and other materials, class 2- compressed gases, liquefied gases and gases dissolved under pressure, class 3- flammable liquids, class 4.1- flammable solid materials, class 4.2- self-combustion substances, class 4.3 –materials which in contact with water produce flammable gases, class 5.1 - oxidizing substances, class 5.2 - organic peroxides, class 6.1 toxins, class 6.2 - nauseating and contagious materials, class 7 – radioactive substances, class 8 - corrosive materials, class 9 – other dangerous materials.

According to the use of the chemicals, they are also included in:

- Law on Pharmaceutical Drugs, Supplementary Treatment Substances, and Medical Devices ("Official Gazette of RM" No. 21/98)
- Law on Plant Protection ("Official Gazette of RM" No. 25/98, 6/2000)
- Convention on the Prohibition of Use of Chemical Weapons, in accordance with the ratified international agreements.

e)

The various regulations regarding the classification, packaging and labelling derive for each law appropriately (listed above) as follows:

- Rulebook on labelling toxic substances which are on sale on the domestic market ("Official Gazette of SFRY" No. 32/86)
- Law on Traffic of Toxins ("Official Gazette of RM" No.13/91).
- Law on Transport of Dangerous Materials ("Official Gazette of RM No. 27/90, 45/90, 12/93), which determines the labelling of dangerous substances during transport, and in accordance with the provisions of the ADR, i.e. The European Agreement concerning the International Carriage of Dangerous Goods by Road.

f)

Until a Law on Chemicals is adopted, this area is covered by the provisions of the laws stated as an answer to the question under e).

g)

- Law on Traffic of Toxins ("Official Gazette of RM" No.13/91)
- Law on Production of Toxins ("Official Gazette of RM" No. 18/76)
- Law on Transport of Dangerous Materials ("Official Gazette of RM" Nos. 27/90, 45/90, 12/93)
- Rulebook on labelling toxic substances which are on sale on the domestic market ("Official Gazette of SFRY" No. 32/86)

- Rulebook on the way of destroying unused poisons and wrapping material used for packing poisons and on the way of withdrawing poisons out of sale (“Official Gazette of SFRY” no. 7/83)
- Rulebook on technical, sanitary and hygienic conditions which the organizations dealing with toxins should fulfill (“Official Gazette of SFRY” No.9/86)
- Decision on the List of toxins which can be put on sale (“Official Gazette of SFRY” No. 59/82, 7/84 , 9/86, 18/87)
- Law on Plant Protection (“Official Gazette of RM” No. 25/98, 6/2000)
- Rulebook on Requirements for Legal Entities Concerning the Tools, Equipment and Premises Used in Production, Wholesaling and Retailing of Plant Protection Agents and on Contents and Bookkeeping of the Register (“Official Gazette of RM” No. 54/2001)

h)

The regulations in the area of traffic of detergents are listed bellow:

- Rulebook on products of general use on sale (Official Gazette 26/83);
- Pursuant to the Law on Environment and Nature Protection and Promotion (“Official Gazette of RM” No. 69/96, 45/2002) the procedure for adoption an *Order for prohibition of production and sale of powdered detergents for manual and mechanical wash of textile products and detergents for mechanical dishwashing with contents of phosphates of over 0.2% in weight* has been started. The purpose of this Order is to eliminate phosphates from waste waters, which are causing destruction of flora and fauna in the rivers and the lakes, and implementation of the undertaken obligations with the Draft Law on Waters from the EU Directive No. 91/271/EEC.

i)

- Law on Quality and Quality Control of the Fertilizers (“Official Gazette of RM” No. 10/1973) regulates the area of chemical compounds and their mixtures intended for plant nutrition; it further regulates the sale, declaration, storage, transport documentation, the registration – register of fertilizers that are not on the standard list, the control authorities, etc.
- Rulebook on Quality and Methods of Taking, Preparing and Delivering Samples for Examination or Analysis, on Unified Methods of Examination or Analysis, for the Register and for Declaration of Fertilizers (“Official Gazette of RM” No. 13/1975). As a by-law, it further regulates this area, together with the Annex List of Standard Fertilizers, which is part of the Rulebook. It prescribes the groups of fertilizers and their mixtures, the standard list of fertilizers, conditions for putting on sale, procedures for registering the fertilizers in the register of fertilizers, the requirements for the institutions that perform analysis, the methods of analyses and taking samples for analysis, the register of fertilizers, the declaration, the manner of packaging, storing, control of turnover by authorized inspection bodies.

j)

- Law on Precursors (“Official Gazette of RM” No. 37/2004)

k)

The issuing of transport permits and the transfer of explosive materials for civil use are subject to the following regulations:

- Law on Protection from Explosive Materials (“Official Gazette of SRM” No. 4/78, 10/78, 51/88 and 36/90, and “Official Gazette of RM” No. 12/93 and 31/93).
- Law on Traffic of Explosive Materials (“Official Gazette of SFRY” no. 30/85, 6/89 and 53/91).
- Law on Transport of Dangerous Materials (“Official Gazette of SFRY” no. 27/90 and 45/90 and “Official Gazette of RM” no. 12/93).
- Rulebook on technical normatives for handling explosive materials and mining in extractive industry (Official Gazette of SFRY No. 26/88 and 63/88)
- Rulebook on protection during work and during production of explosives and gunpowder and during manipulation with explosives and gunpowder (“Official Gazette of SFRY” no. 55/69)
- Rulebook on storing and keeping carbid and manipulating with carbid (“Official Gazette of SFRY” no. 9/62 and 25/69)

- Rulebook on the ways of transport of dangerous substances in road traffic (“Official Gazette of SFRY” no. 82/90)
- List of explosive materials which can be put on sale (“Official Gazette of RM” no. 64/98)
- List for modifying and amending the list of explosive materials which can be put on sale (“Official Gazette of RM” no. 19/2000)
- List for modifying and amending the list of explosive materials which can be put on sale (“Official Gazette of RM” no. 46/2004)
- Law on mineral resources (“Official Gazette of RM” no. 18/99)
- Rulebook on technical regulations during work on processing ammonium nitrate, for handling and storing ammonium nitrate and its mixtures (“Official Gazette of SFRY” no. 31/61, 13/66 and 27/68)

3. Supplementary questions on construction products: is there an established system for controlling construction products? If so, is there a strategy in place for further approximation with EC legislation? How are interested parties and major players (producers, testing laboratories, state bodies) involved and informed?

In the Republic of Macedonia a system for control of the building materials is in place. This system functions in accordance with the old (taken over JUS) regulation.

With the adoption of the following laws:

- Law on Prescribing Technical Requirements for Products and Conformity Assessment (“Official Gazette of RM” No. 55/2002);
- Law on Standardisation (“Official Gazette of RM” No. 54/2002);
- Law on Accreditation (“Official Gazette of RM” No. 54/2002)

started the process of harmonization with the European legislation in the area of construction products.

These laws stipulate that the standards and regulations for building materials, as well as the conformity assessment and accreditation of bodies that will perform the conformity assessment are in accordance with the Directive 89/106/EEC for building materials.

The answers to the questions regarding the cement sub-sector, as well as the construction and construction products’ sector contain the other legal documents stemming from the Directive 89/106/EEC.

The interested sides have so far been included in the work groups for preparation of the new legal regulations and have been informed at a number of seminars and workshops on the drafting of the new legal regulations.

4. Supplementary questions on motor cars (automobiles):

a) Production: number of vehicle models by manufacturer;

b) Research and Development (R&D) expenditure:

i) total;

ii) private;

iii) public;

iv) per company.

c) Registration procedures for vehicles.

a)

The Republic of Macedonia does not produce automobiles.

b)

The Republic of Macedonia does not produce automobiles.

c)

The procedure for registration of vehicles in the Republic of Macedonia is regulated by the Road Traffic Safety Act (“Official Gazette” of the Republic of Macedonia No. 14/98, 18/99, 1/02, 38/02 and

38/04) and the Rulebook for Registration of Motor Vehicles and Trailer Vehicles and Keeping Records of Registered Motor and Trailer Vehicles ("Official Gazette" of the Republic of Macedonia No. 97/00).

The Road Traffic Safety Act prescribes that the motor vehicles and the vehicles on motor propulsion, trailer vehicles and the animal-drawn vehicles that participate in the traffic must be registered, provided that the obligatory technical inspection shows they function properly.

A registration certificate and license plates are issued for a registered machine, mopeds, agricultural tractors, tiller and trailer vehicle towed by the tiller, and for a registered animal-drawn vehicle, only license plates. For the mentioned vehicles, the registration is done by the Ministry of Interior, according to the place of residence, i.e. the home of the owner or the holder of the right to use the vehicle.

The procedure for registration of motor and trailer vehicles is regulated by the Rulebook for Registration of Motor Vehicles and Trailer Vehicles and Keeping Records of Registered Motor and Trailer Vehicles ("Official Gazette" of the Republic of Macedonia No. 97/2000), which states that the procedure is carried out by noting down the register mark and certain data for the vehicle and its owner, i.e. the holder of the right to use the vehicle.

The mentioned Rulebook stipulates that the vehicle is registered under the owner's name, i.e. the name of the holder of the right to use the vehicle, a natural or legal person. If the vehicle is owned by more than one person, then it is registered under the name of one of them, on the basis of a written agreement that is notarized.

The application for registration of the vehicle, i.e. the application for renewal of the vehicle registration certificate, submitted by the owner or the holder of the right to use the vehicle, contains the technical data on the vehicle from the documentation of the producer of the vehicle. The accuracy of the entered data is certified by the authorized employee of the legal person that conducts technical inspection of vehicles. The legal person that conducts the technical inspection is liable to keep a registry and a record of registered vehicles.

The following documents are submitted for registration or renewal of the vehicle registration certificate:

1. Proof for realization of legally prescribed obligations (customs duties and taxes, dues, compulsory insurance and other obligations concerning vehicle registration);
2. Proof that the vehicle is in a good technical condition, not older than 30 days, as well as a certificate for conducted examination when the vehicle was individually produced, assembled or altered;
3. Proof that the vehicles are serially produced or imported, fulfills the requirements stipulated in the homologation documentation;
4. Proof of ownership of the vehicle, if the vehicle is registered for the first time or if it changes owners;
5. Proof for the origin of the vehicle; and
6. Proof of identity (personal identification card for natural persons, i.e. report on the classification of the entity, for legal persons)

The mentioned Act states that motor and trailer vehicles imported from abroad, whose owners are foreigners on temporary stay in the Republic of Macedonia, can be temporarily registered. A certificate for temporary registration and license plates are issued for a temporary registered vehicle, and a registration of the vehicle is done every year.

Homologation

The Road Traffic Safety Act prescribes that the vehicles on motor propulsion and trailer vehicles that are serially produced or imported in the Republic of Macedonia, i.e. are classified according to the Rulebook of the United Nations Economic Commission for Europe (UNECE), must fulfill the

homologation regulations, i.e. they must be in accordance with the international agreements that have been ratified by the Republic of Macedonia.

5. Supplementary question on taxation in the road transport sector: what are your road and registration taxes by category of vehicle?

Taxation: road and registration taxes per vehicle category

For imported vehicles customs tariff is payable pursuant to the Law on Customs Tariff ("Official Gazette of RM" No. 23/03; 77/03 and 69/04) and the Law on Value Added Tax (18%) ("Official Gazette of RM" No. 44/99, 59/99, 86/99, 11/00, 8/01, 21/03 and 19/04). From 1 January 2005 there is legal obligation to pay excise duty on import of vehicles. See [10 II C 2](#).

Technical inspection of vehicles

The amount of the charges for the technical inspection of motor and trailer vehicles is determined by a Decision of the Driver's Association of Macedonia as follows:

Type of vehicle	MKD (VAT excl.)
Motorcycles	383.00
Passenger vehicles	1,008.50
Tractors	635.00
Trailers	635.00
Freight vehicles	1,644.00
Buses	1,261.00
Special and work vehicles	1,008.50

Pursuant to the Law on Administrative Fees ("Official Gazette of RM" No. 17/93, 20/96, 7/98, 24/03, 19/04, 61/04) the fee is charged as follows:

For submittals:	MKD
For issuing a driving licence, for replacement of an expired driving licence, for issuing or renewal of a vehicle registration card for a motor or trailer vehicle	60.00
For issuing a temporary or duplicate driving licence or vehicle registration card for a motor or trailer vehicle	200.00

In accordance with the new Law on Utility Fees ("Official Gazette of RM" No. 61/04), whose application will commence after the local elections, (i.e. after the establishment of the municipal councils in 2005) and the present tariff (tariff number 9) for using the streets for passenger and freight motor vehicles, buses, special vehicles and motorcycles, an utility fee will be charged annually as follows:

Type of vehicle	MKD
1. For passenger vehicles up to 1,000 cm ³	from 30 to 70.00
2. For passenger vehicles from 1,000 cm ³ to 1,300 cm ³	from 50 to 100.00
3. For passenger vehicles from 1,300 cm ³ to 1,500 cm ³	from 70 to 130.00
4. For passenger vehicles from 1,500 cm ³ to 1,800 cm ³	from 200 to 400.00
5. For passenger vehicles above 1,800 cm ³	from 300 to 600.00
6. For freight vehicles on 1t of load capacity	from 70 to 130.00
7. For buses and other vehicles for passenger transport	from 350 to 700.00
8. For special vehicles	from 30 to 70.00
9. For all types of motorcycles	from 30 to 70.00

The utility fee is charged by the body competent for registration of vehicles that transfers it to the appropriate payment account within the treasury account for the municipality, for the municipalities in the City of Skopje on whose area the fee has been charged.

Road fee

The Law on Public Roads („Official Gazzete” of the Republic of Macedonia No. 26/96, 40/99, 96/00, 29/02) prescribes charging of an annual fee for passenger motor and trailer vehicles that are subject to registration. The amount of the annual fee for passenger motor and trailer vehicles that are subject to registration is determined by the Government Decision („Official Gazzete,” of the Republic of Macedonia No. 41/96, 59/02) and it is paid according to the road damage impact of the vehicle. The road damage impact of the vehicle is expressed in litres of fuel MB-98, and it is charged in denar equivalent, according to the type of the vehicle as follows:

1. Passenger automobiles and a combination of vehicles
 - By cylinder capacity (cm³)

From	To	Litres
-	900	20.00
901	1350	29.20
1351	1800	42.00
1801	2500	56.00
2501	3150	83.60
3150	-	111.20

2. Buses and bus trailers
 - By number of seats

Buses		Bus trailers	
Number of seats	Litres	Number of seats	Litres
- 9	33.90	- 9	25.90
-30	111.20	-30	86.40
-45	166.40	-45	129.60
-by a seat	3.70	- by a seat	2.90

3. Freight vehicles, except for tractor chassis
 - By load capacity

From	To	Litres
-	1.0 t	25.60
1.1	2.0 t	50.40
2.1	3.0 t	75.20
3.1	4.0 t	109.30
4.1	5.0 t	143.40
5.1	6.0 t	177.40
6.1	7.0 t	211.50
7.1	8.0 t	251.70
8.1	9.0 t	291.90
9.1	10.0 t	332.00
10.1	11.0 t	387.20
11.1	12.0 t	442.40
12.1	13.0 t	497.60
13.1	14.0 t	552.80
14.1	15.0 t	608.80
For every ton above 15 t		+ 55.20

4. Trailer vehicles except for semi-trailer chassis

- By load capacity

Freight trailers		
From	To	Litres
-	1.0 t	16.60
1.1	2.0 t	33.10
2.1	3.0 t	49.70
3.1	4.0 t	72.80
4.1	5.0 t	96.00
5.1	6.0 t	119.20
6.1	7.0 t	142.40
7.1	8.0 t	167.80
8.1	9.0 t	193.20
9.1	10.0 t	218.60
For every ton over 10 t		25.40

5. Traction motor vehicles (lorries with tractor chassis)

- By engine power

Tractors		
From	To	Liters
-	20 KW	10.00
21	30 KW	12.80
31	47 KW	15.50
over 47 KW		19.20
Tow vehicles		
-	70 KW	208.00
71	80 KW	222.30
81	90 KW	236.60
91	100 KW	251.00
101	110 KW	278.60
111	120 KW	306.20
121	130 KW	333.80
131	140 KW	361.40
141	150 KW	389.00
151	160 KW	420.30
161	170 KW	451.60
171	180 KW	482.90
181	190 KW	514.20
191	200 KW	545.40
201	210 KW	580.40
211	220 KW	615.40
221	230 KW	650.40
231	240 KW	685.40
241	250 KW	720.40
251	260 KW	755.20
-for every 1-10 KW above 260 KW		35.00

6. Semi-trailers

For every semi-trailer	100.00 liters
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7. Work vehicles and work trailers

For every work vehicle	8.30 liters
For every work trailer	4.80 liters

8. Motorcycles (with or without a trailer)

- By cylinder capacity (cm³)

From	To	Liters
-	125	3.50
126	250	6.30
251	500	8.20
501	1000	11.80
1001	-	14.40

9. Light trailers (highest permissible weight up to 750kg)

The light trailers do not need to be registered pursuant Article 325 of the Law on Road Traffic Safety. The light trailers that are not subject to registration must have on the rear side a registration number plate with the same registration number of the tow vehicle.

10. Road taxes for the use of public roads of the vehicles

The tables with the amount of the public road use fee are presented under the appropriate items.

The amount of the annual public road use fee is calculated in MKD by multiplying the quantities with the retail price of a litre of fuel MB-98. The motor and trailer vehicles owners pay the fee prior to submitting the application for registration, in a one-time advance amount of money for a period of 12 months. The owners of motor vehicles who temporarily register the vehicles for a period shorter than 12 months pay proportional share of the fee.

The Article 96 of the mentioned Law on Public Roads prescribes charging of the fee for using highway and part of a highway.

The amount of the fee for using highway and part of a highway is determined by the Government Decision ("Official Gazette" of the Republic of Macedonia No. 52/00) on the basis of the retail price of a litre of MB-98 according to the category of vehicle and the section length. . The vehicles that are subject to the fee for using highway and part of a highway are classified in the following categories:

- First category – motor vehicles with the highest overall height of 1.7 m and the highest overall length of 5.5 m (passanger vehicles);
- Second category - motor vehicles with the highest overall height of 3.3 m and the highest overall length of 9.5 m (passanger vehicles with trailer, jeeps, vans and semi-freight vehicles);
- Third category - motor vehicles with the highest overall height of 4.2 m and the highest overall length of 10.5 m (jeeps with trailer, semi-freight vehicles with trailer, vans with trailer, freight vehicles and buses);
- Fourth category - motor vehicles with overall height higher than 4.2 m and overall length higher than 10.5 m (freight vehicles with trailers, buses and rigs).

Mandatory insurance against liability of motor vehicle owners

Pursuant to the Law on Insurance ("Official Gazette" of the Republic of Macedonia No. 35/01, 4/02, 27/02) the owner, i.e. the holder of the right to use the vehicle is obliged to sign a contract for automobile liability insurance.

The registration of the motor and the trailer vehicle, the renewal of the registration and the issuance of trial number plates can be done after proof of signed contract for insurance is submitted to the body competent for registration of vehicles.

Homologation

Article 318 of the Law on Road Traffic Safety ("Official Gazette" of the Republic of Macedonia No. 14/98, 38/02, 38/04) stipulates that motor and trailer vehicles which are serially produced or imported must fulfill the homologation regulations in force in the Republic of Macedonia, i.e. to be in accordance with international agreements ratified by the Republic of Macedonia.

The homologation fee is subject to deregulation of prices and is determined independently by the authorised homologation institutions on the basis of the type of vehicle.

6. Supplementary questions on the food industry:

a) Please provide data on the agricultural raw materials used by the industry and intermediate products not covered by Annex 1 to the EC Treaty, broken down by product (type of product, quantities, prices, etc.).

b) What are your quality requirements for agricultural raw materials used by the cereals, sugar, dairy and egg industries to manufacture food products? Please provide a comparison with Community requirements and information on any harmonisation measures carried out. Which institution performs controls and is there a control schedule?

c) What are the measures that affect the prices of raw materials, especially agricultural policy measures? Also mention any compensatory measures for food products (production and export refunds).

a)

Code Subsection and Group	Name of Product	2001 In tons	2002 In tons	2003 In tons
15	Manufacture of food products and beverages			
1511	Meat for preserving and processing	7,516	4,698	10,509
1513	Animal residues for processing	94	97	98
1532	Fruit juices for further processing	21,841	30,673	25,909
1533	Fruit and vegetables for preserving and further processing	8,619	7,683	3,652
1541	Crude oils for further processing	1,600	2,871	1,921
1542	Refined oils and fats for further processing	14,327	13,512	11,688
1543	Margarine	2,213	2,142	2,021
1551	Dairy products for further processing (in hl)	364,565	391,049	369,691
1561	Manufacture of grain mill products	105,978	101,964	86,057
1562	Starch and starch products			
1571	Production of feeds for farm animals	78,437	87,532	74,679
1583	Sugar and molasses for further processing	23,367	35,150	23,718
1584	Cocoa products for further processing	40	597	58
1589	Yeasts, additives, extracts for further processing	5,678	5,697	6,768
1591	Distilled potable alcoholic beverages for further processing (in hl)	24,525	17,215	12,039
1592	Ethyl alcohol (in thousands of hl)	4,012	3,634	2,690
1593	Grape wines for further processing (in hl)	625,084	15,945	10,430
16	Manufacture of tobacco products	16,347	18,849	22,817
1600	Dried fermented tobacco	16,347	18,849	22,817

b)

CEREALS

The quality requirements for cereals are prescribed in the "Rulebook on the methods and physical and chemical analysis for quality control of wheat, mill and baking products, noodles and fast frozen doughs". ("Official Gazette of SFRY" No. 74/88).

The quality of the cereals is determined by the following:

- the botanical classification;
- the organoleptic characteristics;
- extraneous matter content and type;
- the quantity of water,
- the particular physical features;
- hectolitre mass;
- the presence of pests;
- the presence of microorganisms and their noxious metabolites;
- the presence of residual pesticides and other noxious substances.

Organoleptic Characteristics of the Cereals

Cereals used for milling products and cereals for direct human consumption must be mature and healthy. The appearance, form, colour and shine, as well as the smell and taste, of cereals must be typical for the variety, the sort, i.e. the line. The cereals must not have any strange smell or taste; in particular they must not have:

- the smell and taste of weed seed in cereals,
- the smell and taste of mould and smut of wheat,
- the smell of stored-crop pest,
- the smell and taste of spoiling due to poor storage,
- the strange smell absorbed in transport or during storage.

Type and Quantity of Ingredients in Cereals

The ingredients in cereals represent all outer kinds of matter which are not basic cereals and damaged grain. The extraneous matter are classified in three basic groups:

- dirt of outer origin,
- grains of other cereals,
- damaged grain.

Dirt of outer origin that must not be contained in the basic mass of cereals includes the following:

- vegetable dirt (straw residues, chaff husks, taling, seed coats, pieces of wood, grain or weed),
- animal dirt (insects, insect fragments, rodent excrements, rodent hair, etc.),
- dirt of mineral origin (pieces of metal, grit, sand, dust, earth)
- mineral dirt (metal pieces, grit, sand, dust, earth),
- other dirt (cord, paper, thread, etc.).

Grains of other cereals are grains that are not the basic mass of that kind of cereal.

Damaged grains are the following:

- crashed grains, i.e. grains with open kernels due to mechanical damage or tiny parts of grain and grain with removed germs,
- shrivelled grains, i.e. underdeveloped grains due to poor vegetative conditions,
- small, undeveloped grains,
- grains of inappropriate colour: green, which is not ripe grain, grains where the process of spoiling started but was interrupted,
- grains damaged by artificial drying: sound grains with a darker brown coat, while the grain section is of a brown – non variety - colour,

- grains infected with ergot, ergoted grains filled with spores of stinking smut of wheat, and musty grains with mould visible to the naked eye on the surface and in the inner part of the grain,
- grains damaged by field bugs,
- bitten grains: grains damaged by pests on the outside or from the inside, the pests being either wire worms or other pests (mites, rodents, etc.),
- germinated grains: grains with swollen or wrinkled germs, and grains with grown primary roots so that they are either visible or have already been removed.

Quantity of the Ingredients in Cereals

The total quantity of ingredients in wheat for immediate human consumption (wheat for cooking) in the original packaging may not exceed 1%, out of which the permitted quantities are the following:

- Grains of other cereals – not more than 0.2%,
- Crashed grains – not more than 0.2%,
- Grains damaged by drying, by stinging and biting – not more than 0.5%.

The total quantity of outer matter in rye mass may not exceed 5%, out of which the following is permitted:

- Dirt of outer origin – not more than 0.5%,
- Grains damaged by drying – not more than 0.1%,
- Germinated grains - not more than 2%,
- Other damaged grains - not more than 2%.

Wheat grains amounting to no more than 2% are not considered as an outer matter in rye mass.

The total quantity of ingredients in barley mass may not exceed 5%, out of which the following is permitted:

- Dirt of other origin and grains of other cereals – not more than 1%,
- Grains damaged by drying – not more than 0.2%,
- Germinated grains and grains of an altered colour affected by fungi (ruined grains), bitten grains– not more than 2%,

The total quantity of ingredients in oat mass may not exceed 4%, out of which the following is permitted:

- Dirt of other origin and grains of other cereals – not more than 2%,
- Grains damaged by drying – not more than 0.1%,
- Wild oat grains – not more than 2%,

The total quantity of ingredients in corn for immediate human consumption (corn for popcorn) in the original packaging may not exceed 3%, out of which the permitted quantities are the following:

- Grains of other cereals – not more than 0.2%,
- Crashed grains – not more than 2%,
- Grains damaged by drying, by stinging and biting – not more than 0.5%.

The total quantity of ingredients in the buckwheat mass may not exceed 5%, out of which the following is permitted:

- Dirt of other origin and grains of other cereals – not more than 2%, out of which not more than 0.2% of mineral dirt,
- Damaged grains – not more than 3%.

Quantity of Water in Cereals

The quantity of water in cereals placed in circulation may not exceed 14%. The part of water in consumption wheat in the original packaging may not exceed 13%. The quantity of water in corn grain for popcorn may not exceed 14%.

Particular Physical Characteristics

Besides the above conditions, consumption wheat placed in circulation in the original packaging must also comply with the following conditions: grains must be of the same sort, of standardised size so that 85% of the grain stays in a sieve with 2.5 mm diameter holes; they must also have a farinaceous endosperm structure.

Hectolitre Mass

Hectolitre mass is a mass of one hectolitre of wheat expressed in 1 kilogram and it amounts to at least:

For the cooking wheat	76
For barley	65
For oats	50
For rye	72
For buckwheat	55

Presence of Pests

Cereals put into circulation must not contain live stored-crop pests or other insects in any stage of development.

Cereals in storage may contain up to four dead insects or insect fragments per 1 kg of mass, or three rodent hairs per 1 kg of mass.

Cereals for immediate human consumption in original packaging must not contain any live or dead insects, or insect fragments, rodent excrements or rodent hair.

SUGAR

The requirements referring to the quality of sugar are prescribed in the "By-law on the Quality of Fats and Oils of Vegetable Origin, Mayonnaise, Sugars and other Saccharines, and Honey". The by-law was published in the "Official Gazette" of SFRY No. 27/85;

Sugar is a product obtained through a technological process from sugar beat or sugar cane; it contains at least 99.6 % of pure saccharose,.

According to its quality, sugar may be distributed as granulated sugar, lump sugar and icing sugar .

Refined sugar for consumption must fulfil the following conditions:

- the sugar mass is of a totally white colour,
- it contains at least 99.8% of pure saccharose;
- it contains not more than 0.08% of water;
- it contains not more than 0.02 % of ashes;
- the colour in extinction by Lange is 0.050 at the most,
- it tastes sweet, and does not have a strange smell or taste, any mechanical ingredients or bleaching and colouring agents;
- it contains not more than 0.05% of invert;
- the water solution (one part sugar, two parts water) is clear, sweet tasting and without sediment, with a neutral reaction to litmus-paper.

Castor sugar for consumption must fulfil the following conditions:

- the sugar mass is of a totally white colour,
- it contains at least 99.6% of pure saccharose (measured with polarimeter);
- it contains not more than 0.2% of water;
- it contains not more than 0.05% of ashes;
- the colour in extinction by Lange is 0.10 at the most,
- it tastes sweet, and does not have a strange smell or taste, mechanical ingredients, or bleaching and colouring agents;
- it contains not more than 0.05% of invert;
- the water solution (one part sugar, two parts water) is clear, sweet tasting and without sediment, with a neutral reaction to litmus-paper.

The granulated sorted sugar is, according to the size of the crystals (granulas), placed in circulation bears the following marks: "FF", "F" or "G"; nonsorted sugar bears the mark: "N".

At least 80% of the sugar in sorted sugar are granulas of proper size. Sugar is sorted by crystal size as follows:

TYPE	Passes through sieve, hole diameter in mm	Stays in sieve, hole diameter in mm
G	2.2	1.4
F	1.4	0.8
FF	0.8	-

Lump sugar (cube sugar, etc.), in terms of quality, must fulfil the conditions prescribed for consumption refined sugar.

Icing sugar is sugar for consumption distributed in form of powdered sugar with particles smaller than 0.15 mm, and in the form of sugar meal with particles in size from 0.15 mm to 0.30 mm.

In the production of icing sugar, an allowed quantity of preparation against lumping may be used by 1.5%.

The relative air humidity in a sugar storehouse must not surpass 75%.

MILK

The Republic of Macedonia, regarding the quality of milk, dairy products, rennet and pure cultures applies the requirements stipulated in the By-law on the Quality of Milk, Dairy Products, Cheese Rennet and Pure Cultures published in the Official Gazette of SFRY No.. 51/82 and 39/89.

The milk must fulfill the following requirements:

- not to be obtained 15 days before the day of the bringing forth young, nor eight days after the day of the bringing forth young (that it does not contain colostrum)
- to have a typical smell, taste and colour
- not to contain added water, which is determined through the freezing point, which must not exceed - 0.53 °C or the index of refraction should not be lower than 1.3420 or the number of the refraction should not be lower than 39
- to contain at least 3.2% milk fat
- to contain at least 8.5% fatless dry matter
- the acidity should not exceed 7.6 SH
- to be cooled down bellow 8°C immediately after the milking

The sheep milk must conform to the following requirements:

- to have a typical smell, taste and colour
- to contain at least 6% milk fat
- to contain at least 10.5% fatless dry matter
- the acidity should not exceed 12 SH

The goat milk must conform to the following requirements:

- to have a typical smell, taste and colour
- to contain at least 3.2% milk fat
- to contain at least 8.5% fatless dry matter

The bison milk must conform to the following requirements:

- to have a typical smell, taste and colour
- to contain at least 8% milk fat
- to contain at least 11% fatless dry matter

The quality control of milk is conducted on samples taken for examination in accord with:

- methods for sampling
- methods of chemical and physical analyses

The milk samples are taken in:

- production – on production line or part of a production line

- in market circulation – on packaged pieces

The samples must be taken by an expert.

The milk sample must contain at least two specimen copies, taken separately, but they must be identical in content and of approximately same mass, i.e. volume, necessary for physical and chemical analyses. The sample must contain at least two identical specimen copies. One of the specimen copy is immediately taken by the expert for analysis and the other serves for the purposes of superanalysis.

During milk sampling the expert must prepare a report containing the data of importance for the results of the examination: the place, conditions for storage, the date and time of sampling, the type and quantity of the product from which the sample was taken, the number of separately taken samples, the designations for identification of the sample as well methods of chemical and physical analyses.

EGGS

The quality of eggs is established based on the By-law on the Quality of Eggs and Eggs Products published in the “Official Gazette” of SFRY No. 55/89.

According to the quality and the manner of storing, eggs are distributed as follows:

- superior quality eggs,
- first class eggs,
- second class eggs,
- third class eggs.

First and second-class eggs are sent to the market classified according to mass in 7 classes; third class eggs are used for processing.

Eggs are distributed after quality control no later than 48 hours after production, and before they are placed in transport packages.

Egg products are put into circulation in the original packing and must have a mark designating the type of eggs, i.e. information on the type of the feather poultry they come from if they are not hen's eggs.

The quality control of the eggs is performed in accord with the By-law on the Methods for Quality Inspection, published in the “Official Gazette of RM” No. 72/87.

The examination is conducted through sampling and methods of physical and chemical analysis.

The Law on Safety of Foodstuffs and Products and Materials in Contact with Foodstuffs (“Official Gazette of RM” No. 54/02) will assure the safety of the consumer and will protect consumers from misleading through appropriate and timely information on food safety and efficient supervision over the production, import and export, simultaneously protecting the health of the consumer.

During the drafting of The Law on Safety of Foodstuffs and Products and Materials in Contact with Foodstuffs, Regulation (EC) No 178/2002 of the European Parliament and of the Council was taken into account.

The national legislation in the Republic of Macedonia in the area of health safety of the food is not yet fully harmonised with the international standards. The process of harmonisation has been initiated with the adoption of The Law on Safety of Foodstuffs and Products and Materials in Contact with Foodstuffs based on the following EU regulations:

- Directive 2000/13/EU for approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs (OJ L 109, 06.05.2000),
- Council Regulation (EEC) No 2082/92, on certificates of specific character for agricultural products and foodstuffs (OJ L 208, 24.07.1992)
- Directive 2001/18/EC on deliberate release into the environment of genetically modified organisms (OJ L 106, 17.04.2001),
- Directive 93/99/EEC on the subject of additional measures concerning the official control of foodstuffs (OJ L 290, 24.11.1993)

- Regulation (EC) No. 258/97 of the European Parliament and of the Council concerning novel foods and novel food ingredients (OJ L 043 14.02.1997)

As the procedure for preparing by-laws is on its way, the rules on food hygiene will be also taken into consideration, in the part related to the registration and approval of food production facilities and also the rules relating to introduction of Hazard Analysis and Critical Control Points (HACCP), which are contained in the proposal for a Regulation of the European Parliament and of the Council on the hygiene of foodstuffs (COM/2000/0438). All of the EU directives and regulations that are not incorporated into The Law on Safety of Foodstuffs and Products and Materials in Contact with Foodstuffs shall be incorporated into the by-laws that are in the phase of adoption.

Regarding food, the competence lies within the sphere of the Ministry of Health, Ministry of Agriculture, Forestry and Water Economy and the Ministry of Economy.

Within these ministries there are bodies that supervise the application of the regulations concerning the issues of food in a wider aspect:

- Ministry of Health - State Sanitary and Health Inspectorate
- Ministry of Agriculture, Forestry and Water Economy- Veterinary Directorate and State Agricultural Inspectorate
- Ministry of Economy - State Market Inspectorate

The State Sanitary and Health Inspectorate controls all the food products; the complete sanitary safety:

- contents
- contaminants
- microbiological safety

The Veterinary Directorate controls products of animal origin; the complete sanitary safety:

- contents
- contaminants
- microbiological safety

State Agricultural Inspectorate - phyto-sanitary control

The State Market Inspectorate controls all food products; analysis of quality and contents

From 01.01.2005, the Food Directorate started to function within the Ministry of Health, in accord with the The Law on Safety of Foodstuffs and Products and Materials in Contact with Foodstuffs ("Official Gazette of RM" 54/02). With the adoption of this Law and with the start of operation of the Food Directorate will mean realization of the basic objective of the public health care policy in the area of food, which is basis for the four main pillars of the public health: food safety, food adequacy, social justice and health ecology.

c)

The measures of the common agricultural policy are applied on the level of individual products. A full description of the policies that are currently applied or are intended to be applied is required for each of the stated products or groups of products.

CEREALS

Cereals are grown on 41% of the total arable land of the country. Wheat is most widely spread with 21%, barley with 10%, corn with 7%, rye with 0.5% and rice with 0.4%. Cereals have a part of 35% in the total support to the agricultural sector (Source: Annual Agricultural Report for 2003).

Wheat

The Name of the Policy Measure: Protective Price

For the producers of wheat the Government of the Republic of Macedonia prescribes a protective price for soft and durum wheat.

Legal Grounds:

- Law on Trade (“Official Gazette of RM” No. 23/1995 and No. 16/2004)
- Law on Commodity Reserves (“Official Gazette of RM” No. 47/87, 13/93 and 68/04).

Objectives and Description of the Scheme

The protective prices are prices at which certain agricultural products are purchased in the government commodity reserves in the cases when their price falls below the prescribed protective price.

According to the Law on Trade, the purpose of this measure is protection of the producers of wheat from monopolistic behaviour by the milling and processing enterprises and ensuring the stability of the prices of flour and bread.

Pursuant to the Law on Trade (“Official Gazette of RM” No. 16/2004) the protective prices may be applied until 29.03.2005.

In accord with the Law on Commodity Reserves (“Official Gazette of RM” No. 47/87, No. 13/93), as an exception, the agricultural food products are not procured through competitive bidding or through request for proposals.

Pursuant to the Law on Commodity Reserves (“Official Gazette of RM” No. 68/04), the provision regarding the procurement of agricultural food products at protective prices is abolished and at present the procurement of agricultural food products is conducted in accord with the provisions of the Law on Public Procurement (“Official Gazette of RM” No. 19/2004).

For grains (wheat, corn and barley) the agricultural policy will be aimed at financial support of the producers of cereals, based on hectares. For the wheat and the barley the non-repayable aid based on hectares is applied from 2004, pursuant to the Law on Instigation of Development of the Agriculture (“Official Gazette of RM” No. 24/92, 32/92, 23/92, 78/93 and 14/96).

Eligibility Criteria for Use of the Measure:

Delivered wheat by the wheat producers to the milling and processing enterprises.

Basis for Payments and Regional Differentiation:

(also the basis for establishing the regions)

During the calculation of the protective price of the wheat the following provision was taken in consideration – the protective price of the wheat for every subsequent year should not surpass 70% of the three-year average world prices increased by three-year average transportation costs and handling charges to Skopje. This mechanism is agreed with the World Bank.

The protective price is prescribed for all producers of wheat in the country without regional differentiation.

Prescribed protective prices for soft and durum wheat for the period 1999-2003 in MKD/kg

Year	Prescribed protective prices for soft wheat	Prescribed protective prices for durum wheat
1999	10.00	12.00
2000	10.00	12.00
2001	10.50	12.50
2002	10.50	12.50
2003	10.50	12.50

Administration of the Schemes

The Government of the Republic of Macedonia prescribes the protective price with a Decision, on proposal from the Ministry of Economy in cooperation with the Ministry of Agriculture, Forestry and Water Economy. The protective price of wheat in 2004 was set by taking into consideration, among other things, the costs for production of wheat in the country.

TOBACCO

The Name of the Policy Measure: Protective Price of Tobacco

Legal Grounds:

- Law on Trade (“Official Gazette of RM” No. 23/1995 and No. 16/2004)
- Law on Tobacco (“Official Gazette of RM” No. 69/1996 and 15/1998)

Objectives and General Description of the Scheme

Pursuant to the Law on Trade, the purpose of this measure is protection of the producers from monopolistic behaviour of the enterprises – purchasers of tobacco - and ensuring the stability of the prices of tobacco.

Pursuant to the Law on Trade (“Official Gazette of RM” No. 16/2004) the protective prices may be applied until 29.03.2005.

In accord with the Law on Tobacco, the tobacco as a good of common interest was financed by the state through funds from the Budget of the Republic of Macedonia. These funds were used in order to place, in the government commodity reserves, the tobacco that was not purchased due to inability of the purchaser to pay as a result of bankruptcy or liquidation.

Aim

Protection of the producers of oriental small-leafed aromatic types of tobaccos in the Republic of Macedonia, ensuring stability and competitiveness on the domestic and foreign tobacco market.

The protective price represents a base for establishing the purchasing prices differentiated by types and classes of tobaccos during the signing of contracts for production and purchase of tobacco between the producers and the tobacco enterprises.

Basis for Payments

During the establishment of the protective price for oriental small-leafed aromatic types of raw tobacco the following provision was taken in consideration – the protective price of tobacco for every subsequent year should not surpass 70% of the three-year average world prices increased by three-year average transportation costs and handling charges to Skopje. This mechanism is agreed with the World Bank.

Prescribed protective prices for oriental small-leafed aromatic types of raw tobacco from the 1999 and 2000 harvest, in MKD/kg

Year	Prescribed protective price
1999	111.00
2000	111.00

Administration of the Schemes:

The Government of the Republic of Macedonia prescribes the protective price for oriental small-leafed aromatic types of raw tobacco per leaf (Prilep, Jaka and Dzebel) on proposal from the Ministry of Economy in cooperation with the Ministry of Agriculture, Forestry and Water Economy.

See [07 II 1](#), [07 IV 1](#) and [07 VII A 1](#)

7. Supplementary question on clothing:

Please distinguish between domestic production and OPT (subcontracted) production of clothing products.

Manufacture of textiles and textile products – regular production for 2001 , 2002 and 2003						
NCA class	Title of the NCA (National Classification of Activities) class	Supplementary Unit	Year			
			2000	2001	2002	2003
			Production	Production	Production	Production
1710	Preparation and spinning of textile fibres	t	6,223	5,012	5,186	5,065
1720	Textile weaving	000 m2	8,614	9,142	6,916	6,448
1730	Finishing of textiles	000 m2	0	0	0	188
1740	Manufacture of made-up textile articles, except apparel	000 m2	0	4,332	5,162	4,031
1751	Manufacture of carpets and rugs	000 m2	178	89	110	31
1753	Manufacture of non-wovens and articles made from non-wovens, except apparel	000 m2	0	0	0	233
1754	Manufacture of other textiles n.e.c. (not elsewhere classified)	t	312	454	308	364
1760	Manufacture of knitted and crocheted fabrics	t	959	507	619	1,003
1771	Manufacture of knitted and crocheted socks	000 psc.	2,441	2,498	346	288
1772	Manufacture of knitted and crocheted pullovers, cardigans and similar articles	000 psc.	384	380	416	397
1810	Manufacture of leather clothes	000 m2	7	34	7	0
1821	Manufacture of workwear	000 m2	1,894	1,897	2,756	2,306
1822	Manufacture of other outerwear	000 m2	3,266	2,284	3,813	3,552
1823	Manufacture of underwear	000 psc.	17,292	12,141	12,052	27,378
1824	Manufacture of other wearing apparel and accessories n.e.c.	000 psc.	12,528	17,368	17,461	13,546
1830	Dressing and dyeing of fur; manufacture of articles of fur	000 m2	6,422	1,480	2,646	2,701
Source: State Statistical Office						

Manufacture of textiles and textile products – regular production for 2001 , 2002 and 2003						
NCA class	Title of the NCA class	Supplementary Unit	Year			
			2000	2001	2002	2003
			Production	Production	Production	Production
1710	Preparation and spinning of textile fibres	t	187	175	195	2
1720	Textile weaving	000 m2	17	33	447	57
1730	Finishing of textiles	000 m2	317	188	256	92
1740	Manufacture of made-up textile articles, except apparel	000 m2	5,129	1	372	358
1754	Manufacture of other textiles n.e.c. (not elsewhere classified)	t	39	0	8	82
1760	Manufacture of knitted and crocheted fabrics	t	0	0	0	0
1772	Manufacture of knitted and crocheted pullovers, cardigans and similar articles	000 psc.	18	0	12	64
1810	Manufacture of leather clothes	000 m2	0	0	0	15
1821	Manufacture of workwear	000 m2	2,061	2,417	3,124	3,823
1822	Manufacture of other outerwear	000 m2	5,505	5,576	6,220	5,853
1823	Manufacture of underwear	000 psc.	16,058	13,725	13,377	12,196
1824	Manufacture of other wearing apparel and accessories n.e.c.	000 psc.	977	48	32	357
1830	Dressing and dyeing of fur; manufacture of articles of fur	000 m2	0	0	70	636
Source: State Statistical Office						

8. Supplementary question on pharmaceuticals: what is the regulatory framework for marketing authorisation of medicinal products?

The procedure for issuance of approval for general sale of pharmaceutical drugs is regulated by the Law on Pharmaceutical Drugs, Supplementary Treatment Substances and Medical Devices ("Official Gazette of RM" No. 21/98), as well as with the following by-laws:

- Instruction on the conduct of the procedure for issuance of approval for general sale of prepared pharmaceutical drugs ("Official Gazette of RM" No. 49/04);
- Instruction for examination of the Bioavailability and Bioequivalence of Pharmaceutical Drugs ("Official Gazette of RM" No. 68/04).

With the intention of attaining efficiency, these regulations explain the manner of conducting the procedure for approval for general sale of prepared pharmaceutical drugs, give a further explanation of the content of the application, the necessary documentation and the dynamics of the procedure. The Instruction on the conduct of the procedure for issuance of approval for general sale of prepared pharmaceutical drugs explains the procedure for issuance of market authorization of prepared pharmaceutical drugs that have obtained market authorization in the European Union through a centralized procedure or reciprocal acceptance.

9. Supplementary question on tourism. Please describe briefly the government's current strategy on tourism. Is there a formal document (law or action plan) which forms the basis of this strategy?

The development of the tourism as an economic branch is contained in the Macro-economic policy of the Republic of Macedonia, in the section on economic development.

Also, the document "Studies for Development of Tourism – Master Plan" is prepared in 2003, as a donation from the French government. Several ministries, representatives of the tourist sector and scientific institutions have been involved in its preparation.

The studies describe the qualities of the tourist sector in Macedonia and its present state, assess the possibilities within the sector, define the development strategy that will utilize these possibilities and determine the group of activities that should supplement the development strategy. The efforts are aimed at stimulating the private sector and supporting the private initiative, strengthening of institutions; promotion of the tourist sector; improvement of the information system, etc.

The Annual Programme for general tourist propaganda and informative activity represents an annual strategy in the area of tourist propaganda and is oriented towards the tourist propaganda activities on a country level regarding the tourist publishing activity of general tourist propaganda materials, appearance on emission tourist markets that we mark as priority and important, media presentation and other general tourist propaganda activities.

The Physical Plan of the Republic of Macedonia defines the basic physical axes for development of the sector and widely defines the tourist areas.

10. Supplementary questions on forest-based industries:

a) What is the total forest area in millions of hectares and as a percentage of the total land territory of the country?

b) What is the forest ownership structure? Distinguish between natural persons, other private ownership, state forests, national parks, local authorities, other public ownership.

c) What is the round wood production (also as a percentage of annual forest growth)? % coniferous, % non-coniferous?

a)

The forest area in the Republic of Macedonia is 955,294 hectares (0.9 million hectares)

The total surface of the Republic of Macedonia is 25,713 km² (2,571,300 hectares), out of which 48,800 hectares are water surface.

According to that the percentage of the total land territory in the country is 98.1%, out of which the percentage of forest area is 37.9 %. Data Source: State Statistical Office

b)

According to the Law on Forests ("Official Gazette of RM" No. 47/97 and 7/2000), in the Republic of Macedonia there are two types of forest ownership: forests in state ownership and forests in private ownership. Out of these forests, about 90% are in state ownership, i.e. 861,148 hectares (812,652 hectares – economy forests and 48,496 hectares – national parks), and there are about 10% or 94,146 hectares in private ownership. Data Source: State Statistical Office

c)

The total annual wood production is 930,000 m³ or 51.7% of the annual forest growth.

*The annual forest growth is approximately 1,800,000 m³.

Coniferous are 49,000 m³ or 5.3% and non-coniferous 881,000 m³ or 94.7%

Data Source: State Statistical Office

*Data Source: Ministry of Agriculture, Forestry and Water Economy

II. GLOBAL STRATEGY

1. Is there a framework policy paper that defines the government's approach to industrial development and restructuring (including privatisation aspects)? Specify the status of this document. If it is not the case, which documents can be considered reference documents for understanding the government's policy in the industrial sector?

The most recent framework document for the policy that defines the approach towards industrial development including the restructuring in the Republic of Macedonia is the "National Strategy for Integration of the Republic of Macedonia into the European Union," prepared during 2003 and the beginning of 2004. In the previous period of transition the approach of the Government towards those questions has been partially or more holistically considered and defined within several documents, prepared and enacted successively since 1992.

The first such document is the "Strategy for Adjustment of the Economy and Global Considerations for the Economic Development," prepared in 1992 by the Macedonian Academy of Sciences and Arts (MANU), upon the request of the Government of the Republic of Macedonia (the Ministry of Development).

As far as privatisation is concerned, prior to the enactment of the Law on Transformation of Enterprises with Social Capital ("Official Gazette of RM" 38/93, 48/93, 7/97, 9/98, 21/98, 25/99, 39/99, 81/99, 49/00, 6/02, 31/03, 38/04), upon Government's request the Faculty of Law in Skopje prepared a Study on Privatisation in Macedonia. Also a special analysis on the privatization in Macedonia was conducted, which was edited by Dr. Cento Veljanovski.

Considering the urgent need for combating hyperinflation and introducing and maintaining macroeconomic stability in Macedonia, a Stabilization Programme was enacted in 1994 ("Official Gazette of RM" No. 4/94), prepared in collaboration with the International Monetary Fund and supported by the World Bank. In this Programme, among other things, special attention was paid to the reforms in the enterprise sector, referring primarily to their privatization and restructuring.

In 1997 Macedonian Academy of Sciences and Arts (MANU) prepared a "National Strategy on Economic Development of the Republic of Macedonia", which is a long-term vision - up to 2020 – of the global directions and strategic changes in the economic development. In 1999 Macedonian Academy of Arts and Sciences prepared an "Export Strategy of the Republic of Macedonia", a document which tackles the strategic directions of exports. In 2000 the Government of the Republic of Macedonia enacted a "Framework Programme on Economic Development and Reforms – Macedonia 2003" ("Official Gazette of RM" No. 49/00). Being a complex document with mid-term approach it stipulates the measures and activities for the realisation of reforms. Special sector policies are also treated in the Programme, with a special part deals with the development of the industry and privatisation and restructuring of enterprises.

Until 2004 other special strategies and programmes are prepared and enacted tackling different sectors of the economy, and restructuring and development of the industry. The following are more important: Programme of Measures and Activities for Entrepreneurship Promotion and Competitiveness Creation of Small and Medium Enterprises in the Republic of Macedonia, Strategy for Development of Small and Medium Enterprises, Programme of Investment Promotion in the Republic of Macedonia, National Action Plan on Employment 2004 – 2005, National Restructuring and Conversion Programme in the Steel Industry, National Strategy on Quality, National Environment Protection Action Plan, National Assessment of Sustainable Development, Public Investments Programme 2004 – 2006. The National Programme on Development of Education and the Strategy on Energy Efficiency of the Republic of Macedonia are also prepared and they are undergoing enactment procedure. Second National Environment Protection Action Plan is prepared based entirely on the European Union Environmental Programme, as well as National Strategy for Sustainable Development, which also tackle the issues of the industrial development policy.

As for the current macroeconomic policy, each year the Government enacts an annual Programme which stipulates measures and activities of the policy of economic development, whereas the measures of the industrial policy are also tackled.

2. Has the government developed a specific competitiveness strategy for the transition period? Specify

- i) how it is based on the analysis of the country's competitive advantages, market imperfections/failures;**
- ii) when and for what reasons state intervention is foreseen;**
- iii) how the interface is articulated with other government policies such as competition, education and research, employment, and regional policies;**
- iv) whether interested parties (business operators, academic and research institutions, intermediary agencies) have been involved in the design of the strategy.**

i)

The Republic of Macedonia in the transition period from planned to market economy faced complex economic problems which primarily required rapid action for their mitigation. In addition to the problems that are common for the transition (loss of traditional markets, hindered access to the international financial market, etc.), there were also problems caused by external political factors (the disintegration of former Yugoslavia, the UN posed economic sanctions towards Yugoslavia, blockades from the southern neighbour, the Kosovo crisis and the disturbed political and security situation during 2001). Thus the economic policy measures in the initial period of transition were principally aimed at establishing macroeconomic stability and creation of a new normative and institutional framework for a market-oriented economy. The stabilization measures of macroeconomic policy, determined by the Stabilization Programme of 1994, were a mix of measures of the monetary policy, fiscal policy and foreign exchange policy, followed by measures of the income policy and structural reforms. The consistent implementation of the Stabilization Programme, which was implemented through annual programmes on the macroeconomic policy, gave positive results rather quickly. On the other hand, having the orientation towards creation of a market economy, the Republic of Macedonia was also undertaking policy measures aimed at increasing the economic efficiency and competitiveness, i.e. measures to support structural changes and business restructuring. Such measures are planned in the long-term papers and in the annual programmes on the macro and microeconomic policy of the Government. However, due to the complex conditions which the Macedonian economy was exposed to during the transitional period, particularly in the initial years but also afterwards, it did not succeed in accomplishing significant restructuring and increase of competitiveness.

After 2002 more favourable conditions for undertaking structural reforms and competitiveness increasing of Macedonian economy were created. In order to promote economic growth and alleviate poverty, primarily through upgrading the economic efficiency and the competitiveness of the economy, the Government of the Republic of Macedonia has set the consistent implementation of market liberalization, creation of business environment compatible to the environment of economically developed countries (EU members states), as well as the implementation of structural reforms and the creation of a new economic (industrial) structure as its first priority. In this context the National Strategy for Integration of the Republic of Macedonia in the European Union, prepared during 2003 and 2004 and adopted by the Government and the Committee on European Issues of the Assembly of the Republic of Macedonia, is a document which includes a vision, strategy and measures and programmes of the industrial policy for increasing the competitiveness of Macedonian economy. The document has primarily a mid-term perspective (until 2007), but lots of the measures and programmes also have long-term orientation, while the term until 2007 is their launching period.

The industrial policy for creating competitiveness of Macedonian economy envisaged by the National Strategy for Integration of the Republic of Macedonia in the European Union has the evident orientation not to embark on a "picking the winners policy" but rather through a set of policy measures at horizontal level, to create favourable conditions for business restructuring, increase in competitiveness and intensifying the growth of business entities on a relatively wide basis. A starting position is the notion that in current vibrant business conditions debates on competitive advantages

based on factor endowment lax full meaning, instead the focus should be to competitive advantages which have to be created. In this context, the basic supporting rationale of the Strategy is that in the previous fifteen years the first phase of the transition (i.e. the phase of establishing private ownership and basic institutions of the market economy) was completed, hence now is the time to launch an industrial policy with an active approach towards fostering growth and promoting prospective businesses. This policy is focused on structural changes and upgrading the competitiveness of companies, which is closely linked to the policy of technological development, entrepreneurship promotion and creation of new (primarily small and medium) enterprises. Improvement of the investment climate is also a concern of the Government, and in addition, an environment favourable for stimulating structural adjustment of enterprises and improvement of their market positioning will be promoted. By the same token, two important priorities of Government's policy in this area are: (a) to create conditions for the private business sector to take the leading role in creating economic growth while the Government is to be its partner through the creation of a favourable business environment; and (b) to start the transformation of Macedonian economy into a modern knowledge-based economy.

According to the stated approach, the Document envisages support to the business sector in its efforts for structural adjustment to fast-changing competitive conditions via introduction of new products and production programmes and/or via improvement of existing ones. Clustering, intra and inter-companies technological integration and attracting foreign direct investment will be also stimulated. These activities define the basic framework of the industrial policy for upgrading the growth of the business sector of Macedonian economy, which is comparable to the policy of creating competitiveness implemented in the EU (according to "The Lisbon Strategy" and other documents).

In addition to the horizontal approach, the industrial policy for creating competitiveness of Macedonian economy defined within the National Strategy for Integration of the Republic of Macedonia in the European Union also stipulates a vertical (sector) approach. In the creation of the policy framework the mutual correlation of policy measures on horizontal and vertical level is observed, where the vertical (i.e. the clustering) approach is given central focus, while the horizontal aspect is represented by a network of policy programmes and projects which have the aim to stimulate and strengthen the competitiveness of clusters. Each cluster in Macedonian economy can belong and encompass as many parts of the "horizontal network" as are necessary in its specific case.

In the context of efforts for creating competitiveness of Macedonian economy it is important to note that, starting from 2003, a special (USAID funded) Project on creation of competitiveness of Macedonian economy is implemented, while now the intentions are to transpose the Project's activities as an integral part of the proactive industrial policy of the Government of Macedonia. As part of the Project activities a National Entrepreneurship and Competitiveness Council of Macedonia was established, which is a partnership between the private, the public and the civil sector. Support to the creation of clusters in Macedonian economy is of special importance of that Project as well, hence five clusters as having high growth potentials have been selected and are supported: the lamb and cheese cluster, the tourism cluster, the information technology cluster, the wine cluster and the textile cluster.

Regarding the question on how are market imperfections and failures respected, the National Strategy for Integration of the Republic of Macedonia in the European Union has a separate subchapter which tackles specific reforms in the activities of public interest – infrastructure, transport, telecommunications and energy. In general, the improvement of the functioning of the public sector should be achieved through: (a) commercial orientation and increase of management efficiency of utilities (specific measures are corporatisation, management contracts and adequate pricing policy); (b) privatization of parts of the public sector; and (c) regulation improvement.

ii)

In the initial phase of the transition period, due to the general conditions in the country – the start of transition towards a market economy, beginning of privatization and reforms in all areas, as well as due to the influence of the situation in the region and the unstable political and security situation in

2001 – state intervention was used at a relatively large extent. The intervention was mostly intended for re-establishing normal conditions in the economy and for rehabilitation of certain strategic enterprises, in order to maintain production and improve the social position of employees. This has resulted in unequal treatment of businesses, delayed restructuring and sluggish creation of a functioning market economy in general.

As of 2002 the Government of the Republic of Macedonia has increased the promotion of market liberalisation,, through improving the market environment and abandoning state interventionism. An effort is made to establish the true role of the state in a market environment, - as regulator of overall business conditions and as creator of macroeconomic stability. On the other hand, with the Stabilization and Association Agreement the Republic of Macedonia is obliged to respect an identical regime for the use of state aid as do EU member states - areas eligible for state aid are regions with unusually low living standard and huge unemployment. A Law on State Aid ("Official Gazette of RM" 24/03) with the basic by-laws which is harmonized with relevant EU Directives was enacted, to guarantee that stated goals of the state aid policy will be accomplished. More on the aspects of State Aid can be found in Part II of Chapter 6: Competition. See [06 II 1](#), [06 II 2](#), [06 II 3](#), [06 II 4](#), [06 II 5](#), [06 II 6](#).

iii)

Competition

The industrial policy for creating competitiveness of the Macedonian economy envisaged by the National Strategy for Integration of the Republic of Macedonia in the European Union also determines that policy measures should be complementary, coordinated and supported with appropriate measures of other policies within the overall economic policy framework.

The policy of price liberalization has two aspects of primary importance: (a) decrease of number of products and services that have controlled prices, but preceded with introducing market competition; and (b) announcing the intentions (with time frames) for future price liberalizations, which should provide transparency, decrease of inflationary pressures and give apt signals to enterprises for future restructuring needs. This is especially important in the energy sector. The policy of protecting market competition foresees establishment of favourable and transparent conditions for competition. The prices in monopolized sectors are controlled, which is considered as a transitory solution, while the permanent solution is elimination of the monopolies wherever possible. Consumer Protection Law ("Official Gazette of RM" No. 38/04), Law on State Aid ("Official Gazette of RM" No. 24/03) and Law on Protection of Competition ("Official Gazette of RM" No. 04/05) were enacted. Pursuant to the Law on Protection of Competition a Commission for Protection of Competition will be formed, based upon the principles of eligibility, autonomy, independence and joint working and decision-making. Finally, in order to secure success in the implementation of the policy of protection of market competition the National Strategy for Integration of the Republic of Macedonia in the European Union points to the necessity of improving the efficiency of the judicial system and of establishing an adequate institutional and administrative framework. The implementation of the Strategy on Judicial Reform will involve, among other things, training and preparation on applying the new anti-monopoly legislation, while also public awareness among the business community and the general public about Government's policy of protection of competition will be promoted.

Education and research

Since the Republic of Macedonia is lagging behind EU member states in regard to scientific and technological progress, which itself is a result of numerous difficulties faced in the areas of scientific research and technological development in the initial period of transition - scarce budgetary funds, lack of capacity and equipment, unsatisfactory institutional infrastructure, insufficient transfer of knowledge and research resources in the business sector, low investment in the application of research and innovations, low levels of private investment in research and development as well as the "brain drain" - the key issue that is of interest now is the improvement of the technological knowledge of the business sector in Macedonia up to a level so that implementation of latest achievements in technological development will be made possible. This objective of the Science and Technology Policy of Macedonia is an integral part of the policy of creating competitiveness which,

among other things, relies on results of educational and research policy. Having in mind that education, research and innovations lie in the heart of competitiveness, reforms in the educational system, incorporated in the Draft National Programme on Development of Education 2005-2015 (which should be adopted by the Government of the Republic of Macedonia) are under way. This programme foresees increasing of competitiveness of Macedonian economy through improving the education, development of R&D and the promotion of creativity and innovations. The document entitled “Basic Policy of Technological Development in the Republic of Macedonia” is prepared by the GTZ - Project on transfer of technology.

Creation of an information society and promoting extensive use of information and communication technology are also of significant importance for creating competitiveness and for future economic growth of Republic of Macedonia. The information technology sector in the Republic of Macedonia was recently selected as one of the five industrial clusters that receive support from the Macedonia Competitiveness Activity (the USAID funded Project on creation of competitiveness of Macedonian economy), since rapid growth is expected in this sector. For several years until now in Macedonia the “e-Macedonia for all” Committee exists, and the Government of the Republic of Macedonia also has established a Committee on Information Technology which has initiated the preparation of a National Strategy of the Republic of Macedonia on the Development of Information and Communication Technology in accordance with the EU action plans eEurope and eEurope+, as well as a Project entitled “e-Government”, aimed at implementation of information technology in the operations of the public administration. See [19 III A 1](#), [19 III A 2](#), [19 III A 3](#)

Employment

Regarding the employment policy the Government of the Republic of Macedonia develops and implements a strategy for increasing the employment (decreasing the unemployment), mostly through training of workers which have been layed-off and reforms of the labour market supported by appropriate legal regulations. The main goals of the policy of improving the human resources and lessening labour market rigidity in Macedonia are to increase the capacities of human capital, increase productivity, improve competitiveness and raise the quality of living. A National Action Plan on Employment 2004-2005 in compliance to European Directives was prepared, which defines the employment policy and the specific measures aimed at increasing the employment. The active policies of the labour market promoted by the Government of the Republic of Macedonia are concentrated on: measures on increased flexibility of the labour force, support to seeking employment (providing information, intermediation and counselling), organization of training programmes (training and retraining) and the creation of conditions for supporting jobs creation.

iv)

In the Republic of Macedonia universities, research institutes and experts from various areas of expertise are regularly involved in planning and drafting national strategies and policy papers. The same applies to the drafting of the competitiveness creating policy of Macedonia within the National Strategy for Integration of the Republic of Macedonia in the European Union. In addition to that in the course of the preparation of the document a roundtable discussion with wide auditorium including representatives from both the academic and the private sector was held.

On the other hand, the National Entrepreneurship and Competitiveness Council of Macedonia which is active within the Project on creating competitiveness of Macedonian economy is a tripartite body (partnership) between the public, the private and the civil sector, comprised of over twenty members. It includes five Ministries (the Minister of Economy, of Finance, of Agriculture, Forestry and Water Economy, of Transport and Communications, and the Minister of Labour and Social Policy), two representatives of the civil sector (from the Trade Union Association and from the “Ss. Cyril and Methodius” University in Skopje), and the other members are leaders from the private business sector. The Council has two co-chairs – the Minister of Economy as a representative of the public sector and one representative of the private sector. The main objectives of the work of the National Entrepreneurship and Competitiveness Council are: to serve as a forum for dialogue for identifying and proposing measures aimed at reducing (or eliminating) the obstacles to private sector growth; to advocate and lead the implementation of policy changes critical for economic growth; to promote public awareness on the importance of entrepreneurship and competitiveness for the economic

growth of Macedonia; to develop long-term strategies for promoting competitiveness, productivity, growth of small and medium size enterprises and entrepreneurship; to conduct research and analyze information regarding Macedonia's economic policy vis-à-vis the global economy; to help establish a competitiveness culture in the private and public sectors that successfully embraces competition, innovation and sustainable development. In addition to that, the Council also proposes strategies and policies which have the goal to enable Macedonian companies and clusters to create and export high-value added products and services on foreign markets.

For its first year of operation the members of the National Entrepreneurship and Competitiveness Council defined top priorities and developed action plans for each of them, having the intention to achieve both short-term and long-term results. The priorities are: attracting foreign direct investment to Macedonia; increasing exports; and, improving management capabilities. At its second Annual Conference held in July 2004 the Council has set the priorities for the following 12 months: increasing domestic and foreign investments; promotion of the EU accession of Macedonia; increase of public investment; and improving management capabilities.

3. If an industrial policy is in place, please describe its main features and priorities. How are these priorities made consistent with the overall economic policy? Does the industrial policy take into account the necessity

i) to create an attractive operating environment for business and investors;

ii) to promote the development of adequate professional skills, the creation of an integrated innovation system and the development of clusters?

The Industrial policy for creation of competitiveness of the Macedonian economy incorporated in the National Strategy for Integration of the Republic of Macedonia into the European Union is of a recent date (adopted in the second half of 2004). Hence, the industrial policy practised in the Republic of Macedonia until now is defined in other framework documents, strategies, or annual programmes for the current economic policy.

The basic characteristic of the industrial policy which has been practised in the Republic of Macedonia is establishing an equal treatment of all business entities and equal conditions for market competition of all business entities, through the formation of an adequate institutional infrastructure, adequate mix of elements of the economic system and adequate measures of the current (short-term) and the development (long-term) policy. In this context, the industrial policy of Macedonia in general has a horizontal approach, whereas the vertical (sector) approach has had much lesser importance. Although several strategies and programmes for restructuring and upgrading of certain sectors (such as tourism, etc) have been prepared, the industrial policy of Macedonia practically has not entered into direct and selective support of few sectors. For the steel sector a special National Restructuring and Conversion Programme in the Steel Industry in the Republic of Macedonia is adopted, which results out of an obligation from Protocol 2 of the Stabilisation and Association Agreement. With that Programme, the restructuring of businesses in the steel industry is planned in order to maintain the economic vitality after the implementation period, and to help them to become more competitive on the global market.

The basic aims and priorities of the general economic policy in the Republic of Macedonia are: (a) maintenance of the macroeconomic stability; (b) increase of employment (rather decrease of the huge unemployment); (c) growth of GDP ; and (d) creating conditions for decrease of social inequalities. The priorities of the industrial policy are reconciled to the priorities of the general economic policy, and they are: (a) structural changes of the industrial production towards products and services of higher phases of finalisation (higher value added); (b) development of production of goods and services which are market compatible and export oriented; (c) competitiveness improvement and development of small and medium enterprises; (d) growth of investment (domestic and foreign); (e) protection of private property.

According to the explanations in the previous question, the general characteristic both of the industrial policy for creation competitiveness of the Macedonian economy, which is defined in the National Strategy for Integration of the Republic of Macedonia into the European Union, as well as of the industrial policy practiced so far, basically is brought down to preference of equal treatment of all

business entities, creating conditions for equal market competition and defining policy measures, instruments and programmes whose purpose is - throughout providing various kinds of business restructuring and technical and technological upgrading - to increase the competitiveness of the Macedonian economy. In this respect, four objectives of the general economic policy defined within the National Strategy for Integration of the Republic of Macedonia into the European Union are singled out as most essential: (a) maintaining macroeconomic stability; (b) creating conditions for faster economic growth and increase of employment; (c) provision of adequate and/but targeted social protection for reducing the social consequences of transition; and (d) improving the implementation of the formally already established regulatory and institutional framework, i.e. reduction of the so-called implementation gap. On the other hand, the basic aims and priorities of the industrial policy for creating competitiveness of Macedonian economy which is defined in the same document are the following: (a) creating a stable and completely predictable institutional environment and a framework adequate to the needs of the modern market economy; (b) process of careful and gradual harmonization and adoption of the EU legislation; and (c) conducting a proactive industrial policy for promotion and development of the prospective businesses. In that respect, a special attention is paid to the compliance of the priority aims of the industrial policy with those of the total economic policy.

i)

The direct answer to this question is – yes, the industrial policy practiced in the Republic of Macedonia has always respected the necessity for creation of an attractive business environment. On one hand, in respect to the creation of attractive business environment for the private sector a special Programme for measures and activities for support of entrepreneurship and of small and medium enterprises in the Republic of Macedonia was prepared and adopted, and work is already underway on separate projects defined by that Programme. For improving the business environment, in cooperation with domestic experts and representatives of international organizations such as the World Bank, MIGA, UNDP, USAID, a Programme for investment promotion in the Republic of Macedonia was also prepared. The basic principles for investment promotion are elaborated in detail, among which the following are most important: (a) formation of a detailed Action Plan for elimination of administrative barriers to investment; (b) establishing of an Agency for Foreign investments; (c) intensifying the fight against corruption and improvement of neutrality in the work of the state administration; d) upgrading of the judicial system; e) upgrading of the tax system; and e) other similar incentives for investment. In cooperation and coordination with the specialised institution of the World Bank – FIAS, in April 2003 a Study was prepared to detect the administrative procedures and barriers to investment and attracting foreign direct investment in the Republic of Macedonia, with recommendations for their upgrading and/or elimination. Special emphasis in the realization of the macroeconomic policy of the Government of the Republic of Macedonia for 2004 was placed upon the implementation of the Programme for Investment Promotion (prepared in 2003).

ii)

Regarding the need of promoting the development of vocational qualifications in Macedonia a process of changing and targeting the educational profiles according to the needs of the labour market has begun, which is also positive from the technological development point of view. A National Programme on Development of Education is in its final stage of preparation. Parallel to that, within the process of industrial policy creation the need for creating conditions for more rapid technological innovation capabilities development was recognized, as well as of creating conditions for competition in innovation, development of knowledge based economy and of highly qualified workforce that will be able to follow contemporary trends of technological upgrading. In this period, taking into consideration the need for a new technological policy of the Republic of Macedonia, the German Institution GTZ prepared a document entitled “Basic Policy of Technological Development in the Republic of Macedonia.” The Government encourages and supports the technical and technological development throughout co-financing of research and innovation projects. Forms for educating the young people in technical creativity and for promoting the results of innovation activities have been developed. Annual programmes of specialized organizations for inventions and technical promotion are prepared, where priority to innovations is given. Yet, financial and technical conditions for the creation of an integrated system for inventions lack.

The needs for developing specialized qualifications and an integrated innovation system are the basic components of the industrial policy for creating competitiveness of the Macedonian economy defined in the National Strategy for Integration of the Republic of Macedonia into the European Union. The priority goals in the area of upgrading human resources and the labour market are: (a) to support continuous investment in human capital through provision of an adequate public and private education network; (b) to eliminate the existing institutional rigidity of the labour market and social protection schemes; and (c) to increase the workforce mobility. The modernization of education is focused on improving the quality of human resources of primary importance for business restructuring and for increasing economic growth. Support will be given for investment in higher education offering qualifications which meet the labour market demand. Concerning the need of including the Republic of Macedonia in the common European Higher Education Area the creation of legal framework for implementation of the Bologna process is planned, aimed at creating conditions for treating higher education as public good. The number of places for students entering university (higher) education will continue to increase, as will the quality standards of studies. In accordance with the Bologna process and the Communiqué of the European ministers of higher education, adopted at the Conference in Berlin in September 2003, Macedonia will continue with the reforms for harmonization in the areas of: (a) structure of degrees in the higher education (graduate, postgraduate and doctoral studies); (b) provision of high quality higher education; (c) elimination of barriers for mobility, of students teaching and administrative personnel in the European Union member states and in the South East Europe region; (d) further development and implementation of the European system of transfer of credits; (e) recognition of qualifications and diplomas; (f) development of different forms of life-long learning; and (g) connecting with the European Higher Education Area and the European Research Area within the united "Europe of Knowledge." Finally, the policy of vocational (secondary) education will have the goal to strengthen the connections between education and training and the demand on the labour market. In this respect, the dialogue and cooperation within the partnerships between the public and the private sectors in Macedonia has to intensify, in order to provide adequate institutional forms and conditions for vocational training and application of new knowledge and technologies by the trained personnel, adequate to the economic reforms and labour market demand. It is important to improve the education (formal and informal) so it can become a permanent process during the entire life of citizens.

Regarding the need of promoting the development of clusters, in this period that activity takes place (only) as a part of the Macedonian Competitiveness Activity. Within those frames activities to form and encourage the further development of five clusters have started. The five clusters are: lamb meat and cheese, tourism, information technology, wine and apparel. Since Macedonian Competitiveness Activity is a time-limited project, the development of those clusters will actually intended to serve as example for the entire private sector, whereas the successful strategies, methods and ways of improvement of those clusters are planned to be used in the other clusters which will be formed by the enterprises in Macedonia.

On the other hand, within the industrial policy framework for creating competitiveness of the Macedonian economy defined in the National Strategy for Integration of the Republic of Macedonia into the European Union, the need of promoting the development of clusters is considered as a central part of policy. In fact, in defining the basic approach of the industrial policy within that strategy, the support to developing industrial clusters is a point around which the entire network of programmes at the horizontal industrial policy level is created. More precisely, the strategy provides for the policy for promoting the development of industrial clusters to grow from a project task to a constituent part of the industrial policy in Macedonia.

4. Has the government prepared specific strategies in related areas such as innovation, research & development?

The general political, security and economic conditions which the Republic of Macedonia was facing in previous years, among other things, delayed the realization of technological development, which is a crucial factor for inclusion in the international market, for achieving higher rates of economic growth and for integration of the Republic of Macedonia in the European Union and into the contemporary global economic trends. Yet, taking into account the fact that, due to the need of responding to the

challenges of modern technological changes and of creating a way to enable faster adjustment to international economic development trends special attention has to be given to scientific research and technological development. Within the project supported by the GTZ for transformation and technology, the document “Basic Policy of Technological Development Policy in the Republic of Macedonia” was prepared. The Government of the Republic of Macedonia, upon recommendation of the Ministry of Education and Science, has also adopted a Programme for Science and Research Promotion and Support, as well as a Programme for Technological Development and Technical Culture. The allocation of budgetary funds for research, technological development and technical culture is made according to those programmes. Finally, within the frames of the industrial policy for creating competitiveness of the Macedonian economy defined in the National Strategy for Integration of the Republic of Macedonia into the European Union, adequate treatment is given to the strategies and policies of research, development and innovation.

The basic guidelines for the research and development (R&D) policy in Macedonia are: (a) harmonization of the R&D policy and the modes of competitive advantages of certain industries in Macedonia; (b) transfer of the latest scientific and technological information in Macedonia; (c) development of commercially relevant technologies for Macedonia (i.e. technologies which bear potential for creating international competitiveness of Macedonia); (d) connecting the research centres, universities and the business sector in Macedonia; (e) increasing the budgetary funds for R&D; and (f) stimulating the financing and sponsoring of R&D projects by the business sector.

In the field of R&D policy the Republic of Macedonia has to support and promote international cooperation and transfer of knowledge and technologies; introduce systems of monitoring and evaluation of scientific and technological quality by means of internationally accepted standards and criteria; increase the investment into R&D; increase the use of international funds and technical assistance; define interdisciplinary programmes for targeted research; support the formation of research units in the business sector with the purpose of effective transfer of modern technologies; create conditions for increase of knowledge and innovation quality; and develop technological information system.

The following priority fields for the scientific and research work are identified:

- Sustainable development
- Management of the water resources;
- Energy and new materials;
- Environment;
- Information and Communication Technology (ICT)
- Health care;
- Biotechnology;
- Production of high quality food and geological sciences and engineering.

Special attention will be paid to overcome the problems concerning modernization of the existing scientific and technological infrastructure and to building new premises, through: further development of the academic and research network; supply of research equipment and foreign; development of a sophisticated information system; establishment of entities for transfer of technology, in order to connect the results of the scientific and research activities with the needs of the industry.

5. How are requirements of sustainable development incorporated in the design and implementation of industrial policy?

The implementation of international recommendations and obligations for sustainable development, as well as of the relevant strategies and policy of the Republic of Macedonia, presume taking care for the human dimension and the limits imposed by environment protection in the creation of the industrial policy. In this respect, during the creation of the industrial policy the connection among economic, social and environment protection constituencies of economic development, which form the core of the sustainable development concept, must be taken into consideration.

In the past period the determination of the Republic of Macedonia for sustainable development was emphasized in many strategic documents. The Stabilization and Association Agreement also obliges the Republic of Macedonia to harmonize the legislation in the field of environment protection with the European Union legislation. The policy implemented until now is flown into different strategic documents: “Conceptual Approach to Creation and Implementation of the National Strategy for Sustainable Development of the Republic of Macedonia” (2000); “National Assessment of Sustainable Development of the Republic of Macedonia” (2002); “Research Concept for Provision of Analytical and Prognostic Material in Function of the Preparation of the National Strategy for Sustainable Development of the Republic of Macedonia” (2003); and a complete National Strategy for Sustainable Development is being prepared. The policy of sustainable development of the Republic of Macedonia in the previous period had the following basic goals:

- Realisation of a positive trend of growth of production in the long-run;
- Increase of employment considering the development of wider social, economic and other factors, and especially the labour market; and
- Reduction of waste and pollution and rational use of natural resources.

Sustainable development remains a determination and obligation of the Government of the Republic of Macedonia in accordance with the National Strategy for Integration of the Republic of Macedonia into the European Union. In this context, the following guidelines are considered as basic goals in the field of environment protection: (a) in relation to the total strategy for integration into EU – realisation of environmentally sustainable economic development through increase of competitiveness and an integrative approach towards environmental problems; (b) in relation to the EU legislation – gradual harmonization of the domestic legislation in this field with the EU legislation for environment protection and active participation in international efforts for solving the global pollution and environment degradation; (c) protection of biodiversity and habitats; (d) active participation into international systems for environment protection; and (e) sustainable management of natural resources and their protection. However, considering the social aspect as a constituent part of the sustainable development concept, in determining the general goals and tasks of the policy special attention must be given to: (a) gradual attainment of an optimal price level of energy and of public utility services in accordance with the real purchasing power of citizens, in order to maintain their use in the most efficient manner; (b) gradual increasing of investment in environment and nature protection; (c) increasing the share of public expenditures for environment protection in GDP; and (d) preparation of programmes aimed at introducing competition and inclusion of the private sector in the public utility enterprises. Along these lines the feasibility both of the increase of current and of the introduction of new measures for environment protection will be taken into account, after which the question of simplifying the payment systems appears, through considering the use of different types of economic instruments for environment protection. Hence, an optimal balance among economic efficiency and social acceptability on one side and the environment protection effectiveness of economic and other instruments of policy on the other side is expected to be attained. Finally, in the conceptual designing of the mode of integration of the policy of sustainable development with the industrial policy, the experience and best practices of European countries and the countries of South Eastern Europe are studied. Following the polluter pays principle, an adequate mix of pollution charges must be implemented in order to internalise the externalities created by environment protection expenses through their inclusion in production costs. As the experience of SEE countries shows, if pollution protection charges are adequately designed and implemented, besides other things, they provide improvement in several areas: environment protection, innovation and competitiveness, employment, tax system, as well as strengthening of other instruments.

III. IMPLEMENTING THE HORIZONTAL AND SECTORAL DIMENSIONS OF INDUSTRIAL POLICY INCLUDING INVESTMENT PROMOTION

1. What instruments does the policy establish at a horizontal level in order to achieve the targeted objectives? Are the instruments foreseen by the industrial and regional policies well co-ordinated (i.e. detailed in a National Development Plan)?

The basic goals of the economic policy in the Republic of Macedonia are: (a) maintaining macroeconomic stability and equilibrium; (b) increase of employment (decrease of the huge unemployment); (c) growth of GDP; and (d) creation of conditions for decreasing social inequalities. On the other side, as it was stated in the answers to previous questions, the horizontal approach - i.e. equal treatment and providing equal conditions for market competition on a wide basis (to all business entities) - is a basic characteristic of the industrial policy implemented in the Republic of Macedonia. In this context, resulting from the need to achieve co-ordination with the goals of the overall economic policy, the industrial policy has focused on: (a) creation of a functional market economy – through improvement of the existing legislation and/or enacting new legislation, through institutional development in order to achieve adequate and effective implementation of the regulatory basis for unaltered performance of economic activities, as well as through decreasing of administrative barriers for investment, especially for start-ups; (b) finishing the process of privatization; (c) changing the structure of industrial production towards creating products and services with higher phases of finalization (higher value added); (d) upgrading the competitiveness of Macedonian economy; (e) increasing investment (domestic and foreign); (f) promotion of small and medium size enterprises and entrepreneurship; (g) price and foreign trade liberalization; etc.

In order to achieve the mentioned goals, the industrial policy of Macedonia incorporates a mix of policy instruments and programmes which are typical for a modern market economy. The instruments and programmes of the industrial policy of Macedonia include: programmes for support of the promotion of small and medium size enterprises, programmes for investment promotion (especially foreign direct investment), programmes for export promotion, programmes for improvement of the corporate governance, etc.

Regarding the support and promotion of SMEs and entrepreneurship, a special Programme of Measures and Activities is prepared and enacted, and work on separate projects established with it is under way, while efforts are made to make them compatible to measures utilised by the EU member states. The SMEs promotion Programme is focused on four basic areas: (a) creation of an institutional infrastructure for improvement of entrepreneurship and competitiveness of SMEs; (b) establishing sound business environment in accordance with the achieved level of the economic development of Macedonia; (c) promotion of entrepreneurship through non-financial forms of support; and (d) promotion of entrepreneurship through financial forms of support. An Entrepreneurship Promotion Agency is established, which has the role of an one-stop-shop institution and the task to implement the measures for SMEs promotion. In the Republic of Macedonia there is also a network of other centres for support of SMEs (regional centres, ESA centres etc), several business incubators, entrepreneurship zones and, as of 2004, an Euro-Info-Centre.

In respect to investment promotion, in cooperation with domestic experts and representatives of international organisations (World Bank, MIGA, UNDP, USAID), a Programme for Promotion of Investment in the Republic of Macedonia was prepared. The basic policy measures for investment promotion are elaborated in detail, among which the following are most important: (a) establishing an Agency for Foreign Investment; (b) decreasing administrative barriers for investing; (c) strengthening the fight against corruption and improvement of neutrality in the work of civil administration; (d) improvement of the judicial system; (e) improvement of the tax system; and (f) other related facilities for investment. In co-operation and co-ordination with the specialized institution of the World Bank – FIAS, a Study of Administrative Barriers to Investment and for Attracting Foreign Direct Investments in the Republic of Macedonia is prepared. This Study starts from: (a) identification of the problems and barriers to investment and attracting foreign direct investment in the Republic of Macedonia; and

(b) establishing a dialogue between the public and private sector in order to identify the necessary administrative reforms and to suggest policy measures for the realisation of reforms. In April 2003, FIAS prepared a Report on All Administrative Procedures for Investing in the Republic of Macedonia, with recommendations for their overcoming and/or elimination. A Managing Committee was also established as a consultative body consisted of different ministries, state institutions and of the private sector which, in co-operation with the Ministry of Economy, has prepared an Action Plan with concrete measures, activities, time-limits and implementing institutions in the field of administrative barriers to investment. An Agency for Foreign investments is established which started working actively at the beginning of 2005.

As part of the measures and instruments of the industrial policy at horizontal level for improving corporate governance a new Company Law was enacted ("Official Gazette of RM" No. 28/2004), which provides sound conditions for establishing and functioning of new business initiatives, investment promotion, attraction of foreign capital and increased protection of the foreign investors. With this Law protection of the rights of minority shareholders is also provided, the transparency and accountability in the work of companies is enhanced, and the procedure for registering of companies in the Commercial Register is shortened. Preparation of by-laws is also carried out, in parallel to the introduction of a one-stop-shop institution for registering foreign investors. In order to improve the overall business environment in the country a new Law on Industrial Property ("Official Gazette of RM" No. 47/02, 43/03, 9/04) and a Law on Concessions ("Official Gazette of RM" No. 25/02, 24/03) are enacted. In Macedonia fiscal and financial incentives for investing exist. In accordance with the Law on Free Economic Zones ("Official Gazette of RM" No. 56/99, 41/100 and 6/02) there are certain incentives for investing within free economic zones.

In the period until now a coordination of measures and instruments of the industrial with measures and instruments of the policies from other areas, mainly with the fiscal policy, trade policy, pricing policy and labour market policy was realized.

The horizontal dimension of the industrial policy is also a part in the National Strategy for Integration in the Republic of Macedonia into the European Union, where this policy segment is given an even greater meaning and is analysed deeper. The instruments of the industrial policy at a horizontal level in that Strategy are separated into three integrated and interconnected groups of programmes, which together create an entire network of policy programmes. Those segments are: (a) promotion programmes, which include export promotion, promotion of foreign direct investment, and promotion of SMEs; (b) upgrading programmes, which include upgrading of production factors, creation of an information society and development of ICT and R&D; and (c) programmes for improving corporate strategies and organizational structures, which include education of management, business restructuring (modernization); harmonization and implementation of the international technological standards in the Republic of Macedonia and improvement of the corporate governance system.

The regional policy in the Republic of Macedonia in the direction of its harmonization with the European policy and practice, including the preparation of the first draft version of the National Development Plan is described in the chapter 21: Regional Policy and co-ordination of structural instruments. The coordination of the industrial policy instruments with the regional policy instruments will be provided after the Regional Policy of the Republic of Macedonia is completely defined.

2. Does the government plan to implement or is the government implementing sector specific development support programmes? What types of actions are envisaged? How are they financed? Is the form of support envisaged by the government compatible with EU state aid rules?

Unlike the horizontal level which is a dominant part of the industrial policy implemented in the Republic of Macedonia, the sector (vertical) level of the industrial policy has had much lesser importance. Several strategies have been prepared for the development of certain sectors (such as tourism, etc), but the industrial policy in Macedonia practically has not entered more deeply into direct and selective support of certain sectors. Only for the steel sector a special National Restructuring and Conversion Programme was prepared, which stems as an obligation from the Protocol 2 of the Stabilization and Association Agreement. For this purpose, within the CARDS Programme for the

2000 – 2006 period (Regulation of the Council of the European Union No. 2666/2000) funds are allocated for the preparation of the National Restructuring and Conversion Programme in the Steel Industry, as support of the specific sector within the frames of preparing the National Plan for Economic Development. The programme envisages the restructuring of the enterprises in the steel industry in order to maintain their economic vitality after the implementation period and to help them become more competitive on the global market.

On the other side, starting from 2003 a special four-year project for creating competitiveness of Macedonian economy is implemented in Macedonia, where the support to the formation of clusters in the Macedonian economy is a special segment. Considering their potential the National Entrepreneurship and Competitiveness Council of Macedonia has identified five clusters which receive special support: the lamb meat and cheese cluster, the tourism cluster, the information technology cluster, the wine cluster and the apparel cluster. Regarding the progress of the selected clusters in the previous period, it is evident that progress has been achieved in terms of accepting the idea of clustering and in understanding the benefits of cluster networking (clustering) by the managers of the businesses which are connected into clusters. However, there is still no evident progress in terms of significant growth of productivity of the entities incorporated into the mentioned clusters, nor a significant increase of their exports. These results are expected to come in due course, since the digestion of the essence of modern business operations, as well as the practical implementation of modern forms and techniques of doing business, are a complex task for a large number of businessmen in Macedonia.

Within the industrial policy for creating competitiveness of the Macedonian economy, which is defined in the National Strategy for Integration of the Republic of Macedonia into the European Union, the sector (i.e. cluster) approach of the industrial policy has a special meaning. In this context, besides the three segments of instruments and programmes of the industrial policy at the horizontal level (described in detail in the previous question), this industrial policy has defined the fourth segment of policy instruments and programmes that are directed towards promotion and support of the development of industrial clusters. A selection of concrete clusters (in terms of economic activities or clusters) that would be supported has not been made, but the policy fundamentals in relation to any future cluster are laid down. More precisely, the industrial policy of clustering in Macedonia is envisaged to be a continuous process of changes and promotion of the business sector, whereas three segments with focal points of action are distinguished: (a) promotion of clustering; (b) promotion of intra and inter-firm technological integration; and (c) targeting foreign direct investment projects which will form clusters in the Republic of Macedonia.

Taking into consideration that the Law on State Aid was enacted ("Official Gazette of RM" No. 24/03), and is compatible to the EU rules in that area, all future activities connected with state aid, including the potential aid to individual industrial sectors, will be implemented in accordance with this Law and the related secondary legislation.

3. What are the specific measures implemented to promote investment, and in particular to attract foreign direct investment?

The legal framework for attracting foreign direct investment in Macedonia is permanently improving, yet there is still a lot to be done for its further refining. The Republic of Macedonia has signed agreements for protection and promotion of foreign investment with large number of countries, including almost all South East Europe countries and EU member states, as well as Agreements for Avoiding Double Taxation. Foreign direct investments in the Republic of Macedonia enjoy national treatment. The taxation burden in Macedonia is estimated as relatively favourable (e.g. profit tax of 15%, VAT of 18% and 5%, etc). Investment promotion is also carried out through free economic zones, for which there is a special Law on Free Economic Zones ("Official Gazette of RM" No. 56/99, 41/00 and 6/02), where incentives are defined and offered. Enterprises from all industries except the textile and apparel industry can invest in the free economic zones. Domestic and foreign investors are offered a number of fiscal incentives (See also [15. I II A](#), point 5)

Upon request of the Government of the Republic of Macedonia, in 2003 the World Bank, i.e. the specialized institution FIAS, prepared a Study on Administrative Barriers to Investment in the

Republic of Macedonia. Based on deep analysis, an Action Plan on Eliminating the Existing Administrative Barriers was prepared, which also states the priority areas of reforms derived from the dialogue between the business community, state bodies and other stakeholders. The Action Plan is implemented as a constituent part of the Programme for Investment Promotion adopted in August 2003. Priority areas of reforms are: (a) procedures for establishing of enterprises (registration of enterprises, employment of foreigners, issuing residence permits to foreigners); (b) procedures for acquiring real estate, access to land and obtaining construction permits; and (c) various operational procedures (administration of taxes and tariffs and inspections)

At the beginning of 2005 the Agency for Foreign Investments of Republic of Macedonia started to operate (Law on Establishing the Agency for Foreign Investments of the Republic of Macedonia, "Official Gazette of RM" No. 37/04). One of its activities will be to implement best practices to promote and attract foreign direct investments.

4. Are levels of funding/human resources sufficient to implement the policy? Are the foreseen financing instruments compatible with EU state aid rules?

The human resources in Macedonia for implementation of the horizontal and the sectoral dimension of the industrial policy, which also includes investment promotion, can be estimated as insufficient. This results from the fact that, although employees in the sectors of the ministries and other state institutions have received some training, a systematic and comprehensive training is still missing. It is obvious that there is a need for upgrading of their professional capacity through training and education, which is planned to be financed by both budget resources of the ministries and other state bodies, and by technical assistance within the frames of certain donor projects and programmes. Also, the Agency for Promoting Foreign Investments of the Republic of Macedonia and the Agency for SMEs and Promotion of Entrepreneurship of the Republic of Macedonia have to be provided with the necessary fully trained staff in order to perform their duties.

In the Republic of Macedonia a Law on State Aid was enacted recently ("Official Gazette of RM" No. 24/03), which is in conformity with the equivalent EU legislation. This Law regulates the procedure and the supervision of granting state aid. According to the Law each form of state aid is under supervision of the State Aid Committee, which is formed by the Law on State Aid. The Committee consists of three competent (expert) members, appointed by the Government of the Republic of Macedonia - two of the them are elected upon a proposal by the Minister of Economy, and one is upon a proposal of the Minister of Finance. The professional (expert) and administrative duties of the Committee are performed by the administration of the Ministry of Economy, which has to be provided with necessary staff. For more details see answers [06 II 1](#), [06 II 2](#), [06 II 3](#), [06 II 4](#), [06 II 5](#), [06 II 6](#), [06 II 7](#), [06 II 8](#), [06 II 9](#), [06 II 10](#).

5. Are industrialists or businessmen aware of the government's policy or actions in favour of industry? To which extent did or do they have impact on the design and implementation of policy? Do they all have equal access to information regarding tendering of projects?

The process of reforming the institutional infrastructure (public administration reform) in the Republic of Macedonia, in terms of enhancing its efficiency, is not yet finalized, and with its completion, among other things, it is expected that more functional mode of communication between the public and the private business sector will be created. This also means that the process of improving the transparency of the work of public administration in Macedonia is still in progress, which determines the method of familiarizing the businessmen with the overall government policy. On the other hand, this is not to say that the businessmen are not acquainted with the government policy at all, but above all, it refers to the manner in which that activity is carried out. What needs to be improved is the way of communication between the state and the private sector. Otherwise, the general approach of the policy, as well as the concrete policy measures, instruments, and programmes are stated and debated publicly by means of mass communication media (printed and/or electronic), which results in

a relatively reasonable degree of transparency of government's activities in the field of industrial (as well as the overall economic) policy.

On the other hand, the procedure for public debates on certain laws and other legal acts drafted and proposed by the Government is a legally regulated and required procedure, by the: Law on Organisation and Operation of the State Administrative Bodies ("Official Gazette of RM" No. 58/00 and 44/02), Rules of Procedure of the Government of the Republic of Macedonia ("Official Gazette of RM" No. 38/01, 98/02, 9/03, 47/03, 64/03), Law on the Government of the Republic of Macedonia ("Official Gazette of RM" No. 59/00 and 12/03) and in the Rules of Procedure of the Assembly of the Republic of Macedonia ("Official Gazette of RM" No. 60/02). According to those acts, public debates are organized if some legal acts of "wider interest" are prepared. But, ministries often organise public debates during the preparation of drafts of certain laws. Some consultations are also made through inclusion of experts, representatives of the private (business) sector, non-governmental organizations and other stakeholders in the working groups that prepare draft laws.

The business community is included in the process of drafting and preparation of new regulation also through its association – Economic Chamber of Macedonia. The Chamber gives either initiatives, expert opinions or suggestions to various draft laws, secondary legal acts and proposed measures of economic policy, or representatives of the Chamber (of its branches and sector associations and groups) are included into the activities of the expert bodies and committees of the Assembly of the Republic of Macedonia. The cooperation among legislative and executive authorities with the business community via the Economic Chamber of Macedonia has a long tradition in Macedonia. In 2004, besides the "old" Economic Chamber of Macedonia, few other new sector (industrial) Chambers were organized as an initiative of a part of the private business sector in Macedonia.

Apart from the chamber network, the transparency of the work of public administration and the influence of the business community upon the formulation and implementation of the industrial (and overall economic) policy is also realized via several forms of public-private partnerships in the Republic of Macedonia, established in recent years. In general, the real influence and role of public-private partnerships in Macedonia has not been achieved yet, and they are in a process of upgrading, although the influence of the business community in Macedonia on the creation of Government's public policy is obvious.

Regarding the question of wide availability of information and data on public tendering, the procedure for their organization is regulated by the Law on Public Procurement ("Official Gazette of RM" 19/2004). According to that law, open competition for public procurement, as well as for other projects, must be announced publicly through the Official Gazette of RM and through other public media, so they become available to all interested parties. In future, with respect to improving the transparency of Government's activities and for achieving wide-spread availability of all public information (including all public tenders), increasing of the use of information technology and the Internet has to be promoted. A National Strategy for Information Society in Macedonia is being prepared, where a special part for development of the "e-Government" concept is planned.

6. What progress has been made in implementing the policy? Is policy implementation monitored in an open and transparent manner?

Republic of Macedonia faced complex economic problems in the period of transition from planned to market economy, which primarily required rapid actions and quick solutions for their mitigation. In general, the problems which the Republic of Macedonia had faced during the transition can be separated into two categories: problems which are typical for the transition – loss of the traditional markets, rigid access to international financial markets, inadequate industrial structure and inappropriate technological state of the equipment utilised by businesses, improper administrative structure and public management, etc., plus additional problems (compared to other countries in transition) which were caused mainly by external political factors – disintegration from former Yugoslavia, UN posed economic sanctions towards SRY (Serbia and Montenegro), blockade from the Southern neighbouring country, the Kosovo crisis, disturbed political and security situation during 2001 and problems resulting from the hyperinflation which Macedonia inherited from former SFRY.

Hence, the economic policy measures in the initial period of transition generally focused in two directions: establishing macroeconomic stability (lowering the hyperinflation) and creating a new legal and institutional framework of a market economy.

The stabilization measures of the macroeconomic policy determined by a 1994 Stabilization Programme were a mix of measures of the monetary, fiscal and exchange rate policy, followed by measures of the income policy and structural reforms. The consistent implementation of the Stabilization Programme, which was performed through annual programmes of the macroeconomic policy, gave positive results relatively fast. During 1995 Macedonian economy left the hyperinflation zone inherited by the disintegration from former SFR Yugoslavia, and at the same time a base for maintaining low inflation with stable exchange rate in a longer period was created. Sustained macroeconomic stability is an essential characteristic of the Macedonian economy until now.

Being oriented towards creating a market economy, the economic policy of Republic of Macedonia concurrently has the orientation towards undertaking policy measures, mainly of the microeconomic policy (part of which is the industrial policy), aimed at increasing economic efficiency, productivity and competitiveness - i.e. measures for promoting structural changes and business restructuring. Such measures were planned in the strategic documents and in annual programmes of macro and microeconomic policy which are implemented in practice. However, on one side due to objective reasons resulting from the intricate conditions which Macedonian economy had faced during the transition period, especially in the initial years of transition but also afterwards (until to 2001), and on the other side due to subjective reasons resulting from insufficient determination and persistence in implementing the reforms, the economy of Macedonia did not succeed to accomplish overall restructuring and increase of competitiveness. In the period of transition until 2002, apart from privatization, other types of restructuring of the private business sector (and of the public sector as well) were not implemented with huge intensity and vigour. Besides the changed ownership structure which Macedonia has today and the consequently changed structure of ownership control over business entities, there has not been proportional change of the industrial (sector) structure of the economy, neither of the export products structure, nor of the export market structure (finding new markets where Macedonian exports are sold), nor of the structure of the technological level of the equipment utilised by business entities, nor of the sources (methods) of providing capital for investments in the private sector, etc.

This assessment refers to enterprises which were socially owned (it is a peculiar kind of ownership characteristic only for the former SFR Yugoslavia, which is somewhat different than state ownership) and which have undergone the privatisation process, whereas in respect to the originally (de novo) private enterprises - ones that were formed as private from the very beginning of the transition - analyses show that they have higher productivity, profitability and faster growth in comparison to the privatized enterprises.

After 2002 more favourable conditions for performing structural reforms and for increasing the competitiveness of the Macedonian economy were created. In order to promote economic growth and to decrease poverty, primarily through increased economic efficiency and competitiveness, the Government of the Republic of Macedonia has recognized the creation of functioning market economy (market liberalisation and creation of business environment compatible with the one of EU member states), as well as the implementation of structural reforms and changing the industrial structure of the economy, as areas of highest priority. Number of measures, instruments and programmes which correspond to such approach of the economic (and industrial) policy are stipulated in the annual programmes of the Government, and they are mainly implemented. In this context, a list of accomplishments breaks down to the following: the privatization is in its very final phase; the Project on restructuring loss-making companies included in the FESAL II Arrangement with the IMF is realised; legal prerequisites for securing market competition are created; liberalisation of imports and exports of goods - through liberalization of trade with neighbouring countries, implementation of the Stabilization and Association Agreement and accession of the Republic of Macedonia to the World Trade Organization in 2003 - is achieved.; the policy measures for promotion of entrepreneurship and development of SMEs are implemented, as are the policy measures for increasing investments, especially for attracting foreign direct investments (through elimination of

administrative barriers to investment). The reforms in other areas which contribute to industrial development are also under way.

Yet, the effects of the mentioned and of other measures of the industrial policy are still not noticeable. This is revealed primarily through the relatively low rate of GDP growth, but also through other indicators. It is fair to say that, due to the obviously still existing consequences of the disturbed political and security situation of 2001, the Government of the Republic of Macedonia even in the period after 2002 devoted great part of its energy in solving those problems instead of in realization of economic reforms. Hence, a large number of reforms remains to be implemented. It is also a fact that relatively large part of the private business sector in Macedonia (still) needs new skills for managing business operations in an open and competitive environment, especially when speaking of operating on foreign markets. But, since the direction of restructuring and reforming of Macedonian economy is known and defined, especially with the beginning of the EU accession process (through the submission of the application for membership), the expectations are that the steady implementation of all reforms and the gradual upgrading of the quality of the human capital in Macedonia, the effects of increase of competitiveness and faster growth of the economy will become reality in the Republic of Macedonia.

The monitoring of the implementation of reforms is rather open and transparent, since the effects of the measures and programmes of the industrial policy are measured and expressed mostly through quantitative indicators. Besides the State Statistical Office which regularly publishes publications on ongoing trends in Macedonian economy, as a whole or of different sectors, the Ministry of Finance and the Ministry of Economy also publish regular bulletins in which the accomplished progress in the reforms of the Macedonian economy is presented through quantitative indicators.

IV. PRIVATISATION AND RESTRUCTURING

1. Please describe current policy and implementation as regards the privatisation of large industrial enterprises for the main industrial sectors of your economy. What schedule, if any, has been identified for privatisation or restructuring and how is the privatisation of large industrial enterprises proceeding according to this schedule? Where obstacles impede full respect of the schedule, what are the obstacles and the solutions proposed by the government to overcome these difficulties?

The privatization in the Republic of Macedonia is described in detail in Chapter II – Economic Criteria. See [II V 14](#).

At the beginning of the privatisation in the Republic of Macedonia there was an intensive debate whether restructuring of the enterprises was needed, and if so, whether it should take place before or after their privatisation. On one side the opinion was that it is better to start the privatisation sooner through sale of the enterprises in the conditions they were since: (a) restructuring is expensive and (b) it is best to let the owners determine the specific restructuring modes. But soon after it became apparent that some enterprises can not be sold if not restructured previously, which was primarily the case with the large loss-making enterprises. Hence the idea arose to make an effort for restructuring in the pre-privatisation phase and so to mitigate the post-privatisation adaptation. As result of those discussions the First Programme and the First Law on Restructuring the Loss-making Enterprises (“Official Gazette of RM” No. 2/95) were drafted and enacted in 1995, for the implementation of which the Government received huge support from the World Bank.

The Law on Restructuring the Loss-making Enterprises of 1995 referred to 25 enterprises which generated greatest losses in the economy. They produced 13% of the gross domestic product while generating 80% of the losses in the enterprise sector. Their debts accounted for 60% of the entire bad debts of the banking system and employed 55.000 employees. Among them were also the Electric Power Company and the Railway Company.

The basic provisions of the 1995 Law on Restructuring were the following: isolation of those enterprises from the banking system; conversion of their debts towards the state and banks in capital; reduction of their expenses and, even more, reduction of the number of their employees through providing certain state aid for severances; stimulation of quick privatization – totally or of some of their parts – and if some parts could not be privatised, then conducting liquidation as fast as possible. As a result of that activity out of the 25 enterprises around 160 smaller units (enterprises) were formed most of which were privatised, about 10 units were liquidated in the first two–three years of the implementation of the Law; yet few of the original 25 enterprises remained unrestructured and became subjects of restructuring programmes later on.

The second wave of restructuring loss-making enterprises encompassed in a special Action Plan of the Government of the Republic of Macedonia started in 2000. That plan was realized through privatisation/selling or bankruptcy/liquidation processes determined by the FESAL-2 Arrangement with the World Bank, according to which the Government was obliged to solve/restructure the sector of largest state-owned loss-making enterprises by the end of 2003. Some of the enterprises were sold to strategic investors, while some were liquidated within bankruptcy procedures and their assets were either sold or are still in a process of being sold via international tenders in accordance with the Bankruptcy Law (“Official Gazette of RM” No. 55/97, 53/00, 37/02, 17/04) - through decisions of creditors (in most cases the biggest creditor of these enterprises is the state). In accordance with existing legal regulations, while the bankruptcy/liquidation process is open, being a shareholder, the Privatisation Agency was not given the power to manage and make decisions about the capital of those enterprises.

Within the Programme, and as a constituent part of the Arrangement with the World Bank, 40 enterprises were selected as the largest loss-making enterprises. Those 40 loss-making enterprises

subject of the new Government Restructuring Plan employed 10.4% of the total number of employees in the enterprises sector and in 1999 generated a total loss of \$ US 95 million.

In order to realize the FESAL requirements, i.e. for the World Bank to release the three conditional financial instalments, the Government was obliged to find solution - through privatisation/selling or liquidation - for 30 out of the 40 nominated enterprises by the end of 2003..In November 2000 the Government fulfilled the conditions for withdrawing the first instalment of the arrangement by selling the ferro-nickel smelter (FENI) to a foreign investor. By the end of July 2003 the Republic of Macedonia withdrew the second instalment of FESAL-2 by finding solution for other 5 loss-making enterprises and, after finding a solution for a group of another 25 enterprises, the third instalment was released on January 6 2004. The rest of them will be restructured and privatised in accordance with the Bankruptcy Law ("Official Gazette of RM" No. 55/97, 53/2000, 37/2002 and 17/2004).

The strategy used to implement the restructuring of the loss-making enterprises was realized through the following:

- An economic and financial (cost-benefit) analysis by an independent consultant was performed for each enterprise in order to determine the most appropriate option - whether to sell (privatize) or liquidate it;
- Selling of shares/parts of the loss-making enterprises was performed via international tenders in totally transparent procedures;
- Selling of the property of liquidated enterprises on the basis of bankruptcy, was performed without placing any special conditions to buyers, except paying the price according to agreed conditions;
- In order to provide transparent selling of assets additional engagement of external consultants to help bankruptcy managers of enterprises in bankruptcy was provided;
- A Coordination Body of State Creditors for mutual and coordinated participation in bankruptcy appearances in court was established, with the task to overtake control over bankruptcy procedures based on state's majority of claims in the loss-making enterprises, using the position of dominant creditor with a decisive voting right in the Board of Creditors;
- Detailed procedure for announcement of international public tenders according to the best international practices was established, providing transparency in seeking, identification and qualification of the strategic investor;
- Direct and indirect Government support for the socially/politically sensitive enterprises was provided;
- Restructuring of the state claims in the loss-incurring enterprises.

In the privatisation process the procedure ownership registration in the State Authority for Geodetic Works (survey and land registry departments in municipalities) appears as an obstacle, which is expected to be overcome with the reforms in the State Authority for Geodetic Works. Another issue is the slow realization of the bankruptcy procedures which is connected with the promptness (or lack thereof) of the courts. The need for rationalisation and increase of the efficiency of the bankruptcy procedures will be further considered and adequate measures and activities will be used to overcome these difficulties.

Restructuring (privatisation) of the Electric Power Company of Macedonia will take place under a special law. In the period until now the engaged consultant prepared documents which were adopted by the Government of the Republic of Macedonia, and they include a model for restructuring and a plan for implementation of the restructuring. In March 2004 a Law on Transformation of Electric Power Company of Macedonia State-Owned Shareholding Company for Production, Transmission and Distribution of Electrical Energy (Official Gazette of the Republic of Macedonia No. 19/2004) was enacted which stipulates that the company – now shareholding company in state ownership – is to be divided into two new companies:

- JSC MEPSO – owner and operator of the system for electric power transfer and management with the electro-energetic system, and in the same time market operator, which will remain in state ownership and
- JSC Electric Power Company of Macedonia which will undertake the equipment and functions of production, distribution and supply of electrical energy, and which could later enter the

process of privatization, through a decision and a strategy adopted by the Government of the Republic of Macedonia.

The privatisation can be carried out through: (1) sale of a dominant part to a strategic private investor, but only through transparent procedure via public tender with a pre-qualification phase; and (2) sale of a minority part (a share which by no means can interfere the managing rights of the private investor) to an international financial institution (IFI), through a direct contract.

In accordance with the stated Law, in this moment the prepared Plan for Division of JSC Electric Power Company of Macedonia (which is harmonized with the new Company Law) has to be officially adopted by the Managing Board of JSC Electric Power Company of Macedonia and submitted to the Government of the Republic of Macedonia. With this Decision made by the Government of the Republic of Macedonia starts the realization process of the Plan for division and the legal registration procedures for both new companies.

At the same time the Consultant of the Government will conduct a new due diligence of JSC Electric Power Company of Macedonia (the new company – without the transmission system) which is supposed to finish at the beginning of 2005, and further on it will be continually updated.

The Consultant who is engaged to prepare the privatisation procedure of JSC Electric Power Company of Macedonia (the new company) will prepare a strategy that should be adopted by the Government, that will suggest what is to be offered to the investor and in what percentage. The Consultant will prepare the whole tender documentation and will assist professionally in the whole tender procedure in the course of the year 2005.

See [04 I 8](#)

2. What is the progress in privatising the banking sector and utilities?

The banking sector privatisation in the Republic of Macedonia, has been carried out through two modes: (a) “passive privatisation”, i.e. privatisation of the ownership of the existing banks shareholders (in the previous system of Macedonia the banks were established by business entities which were socially-owned; hence through their privatisation the participation of the socially-owned/state capital in the ownership structure of the banks was gradually decreasing); and (b) through entry of new domestic and foreign investors (new shareholders) which, besides the change of the ownership structure, meant transfer of new capital and new forms of management in the banks. So, according to the National Bank of the Republic of Macedonia Report on Banking Supervision and the Banking System in the First Half of 2004 90.7% of capital in the banking sector is privatized. If the capital of the Macedonian Bank for Development Promotion (completely state-owned) is not considered in the analysis, the capital in banking is privatized 95.1%. This is to say that, out of the 20 banks which now have dominantly private capital, 7 are completely private, that on an aggregate level (including the capital of the Macedonian Bank for Development Promotion) only 8.9% of the ordinary shares and 1.8% of the priority shares are owned by the public sector, while the remaining ordinary and priority shares are in private ownership. With the finalization of the process of privatisation of enterprises and the sale of the small number of state-owned shares in the banks, only bank with state owned capital will be the Macedonian Bank for Development Promotion.

The utilities are not privatized. The privatisation in the Republic of Macedonia is described in detail in Chapter II – Economic Criteria. See answer [II V 14](#).

3. Is the environment for developing the ownership and corporate governance system adequate? Are there arrangements for post-privatisation corporate governance?

For the purpose of implementing the strategic orientation of the Government of the Republic of Macedonia to improve the business environment an appropriate legal framework for protecting the private property is being prepared and enacted. The new Company Law, that entered into force on 08.05.2004 (“Official Gazette of RM” No. 28/04), protects the rights of minority shareholders (which was inadequately protected by legal means). This area is also regulated with the Securities Law (“Official Gazette of RM” Nos. 63/2000, 103/2000, 34/2001, 4/02, 37/2002, 31/2003, 85/2003), as well as with the Industrial Property Law (“Official Gazette of RM” No. 47/02, 42/03 and 9/04).

Improving the corporate governance in the Republic of Macedonia was an issue of thorough debate. As part of the strategy for developing the private sector a USAID funded Project was established which aims at developing activities that will help companies improve corporate governance standards. The Project has several activities, one of which was assistance in the preparation of the new Company Law, as a favourable framework for improved regulation of the corporate governance issues. A separate activity of the Project is the public education campaign, considered to be particularly important having in mind that the privatisation in the Republic of Macedonia resulted with large number of minority shareholders. In this respect, the main objective of the Project is that business executives, shareholders, employees and other stakeholders understand the ideas and principles of good corporate governance. A separate planned activity is the development of a corporate governance code, which the business entities will be encouraged to adopt voluntarily. The Project cooperates with various institutions and organizations in the Republic of Macedonia, helping them develop various concepts and proper implementation of good corporate governance. Collaboration has been achieved with the Macedonian Stock Exchange, the Macedonian Institute for Media, etc.

In the context of improving corporate governance it is important to mention that twenty large companies in the country joined the UN Global Compact network. With the signing of the Global Compact these companies count on increasing the credibility in business partnership and mutual contacts. The Global Compact incorporates the standards and principles of the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization, the Rio-Declaration on Environment and Development, as well as the standards of the United Nations Convention against Corruption. With the signing of the Global Compact the companies are committed to observe the labour and human rights, to combat corruption and to care for the environment.

In the direction of improving the corporate governance in Macedonia particular attention will be paid to the complete adoption of an accounting system compatible with European standards, as well as to the development of efficient audit systems on the basis of the EU methods and procedures. The accounting and auditing profession will be improved through the establishment of an independent professional institution with the responsibility of ensuring the quality of the accounting and auditing services, securing in that manner the quality of the information on the business entities operation. See Chapter 28: Financial Control.

4. What is the main driving force behind industrial restructuring? Privatisation? Foreign Direct Investment? Development of competitive companies?

In order to answer this question more thoroughly, meaning to determine the effects of different driving forces (privatisation, attracting foreign direct investments or start-ups of originally private competitive companies) upon restructuring of the entire industry, a detailed analysis of long-term data series is needed which cannot be done at present, since there is no data on the financial results in the economy of Macedonia categorized to sectors of ownership. However, even with the data for the trends in the 1995 – 1999 period some conclusions can be obtained.

In a relatively simplified form the charts below present the indicators of: productivity (total income per employee – chart 1), efficiency of managing expenses (level of total expenditures coverage with revenues – chart 2) and profitability (gross profit related to fixed capital – chart 3). What can be concluded from these data which show faster growth of the originally private companies, is that (a) start-ups of originally private competitive companies is an important driving force behind the industrial restructuring in Macedonia, and (b) that this group has an increasing significance in the restructured Macedonian economy. For the group of privatized enterprises no stable tendency of their efficiency trends can be derived; hence it means that privatisation appears as somewhat less important driving force behind the industrial restructuring of the economy although, bearing in mind that this group of companies used to be the most essential part of Macedonian economy (and industry) before the privatization, the same conclusion does not necessarily holds true for their significance in the restructured Macedonian economy. The third group comprises the public and mixed (not completely privatized) companies. According to the indicators, this group is mainly worse-off than the other two

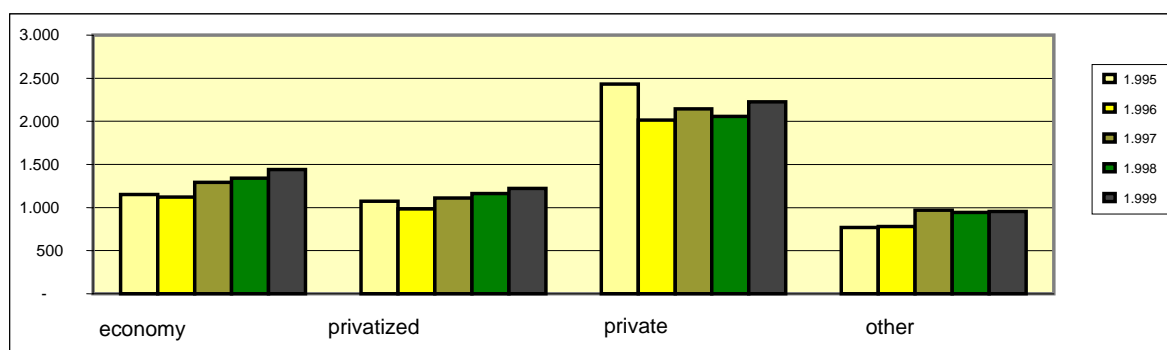
groups, although some improvement in their performance is noticeable as well. For more precise conclusions a more detailed and comprehensive analysis is needed.

There are several independent research studies for the contribution of the privatisation in the Republic of Macedonia, and their results are the following:

1. In 1996 and 1997 privatized companies have been more productive than non-privatized ones, but the initial after privatisation productivity of companies privatized later was lesser than of those which have started the privatisation process earlier. After correcting this statistical bias, it appears that there is no statistically significant verification that privatisation in Macedonia has resulted in better performance of companies.¹
2. Macedonian companies operated in a turbulent environment characterized by changing measures of economy policy and hostile neighbouring environment for a long period during the nineties. The productivity of production factors was decreasing during that time, and the issue of corporate governance was a significant problem in the analyzed period.²
3. Companies privatized by outsiders have better performance than those owned by insiders and they are more inclined to undertake the necessary phase of restructuring.³

In the previous analysis there is no elaboration of the influence of foreign direct investments over the restructuring of Macedonian industry. In general, Macedonia was not especially attractive location for foreign investors in or out of the privatisation process. In this context, although largest number of privatisation models assumed use of public and open calls for bids by any individual or legal entity in the country and abroad, in huge number of cases the only bidders were the insiders – employees and managers of the companies. Neither “greenfield” foreign direct investments in Macedonia until today are not a sufficiently large part of the restructured Macedonian economy. Hence, although penetration of foreign direct investments means contribution to restructuring of the economy, the influence of this instrument for restructuring of the industry in Macedonia is lesser than the other two.

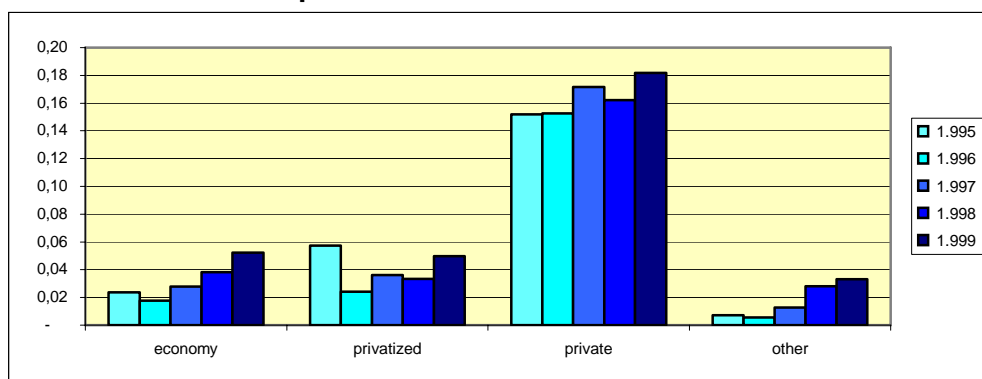
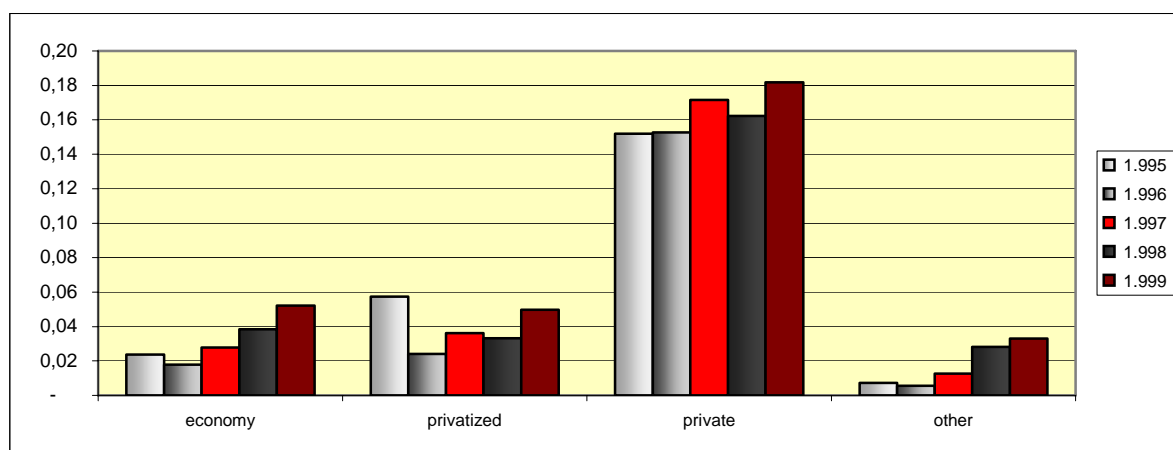
Chart 1. Total income per employee (in thousands MKD)



¹ Cebotari, Aliona; Drummond, Paulo; Glennester, Rachel; Marciniak, Philippe; Sekine, Toshitaka; Young, Hue (2000): Former Yugoslav Republic of Macedonia. Recent Economic Developments, IMF, 2000.

² Janez Prasnikar, Will Bartlett, Polona Domadenik, Verica Hadzi Vasileva Markovska: “The Productivity of Firms in Transition: The Case of Slovenia and Macedonia”, 11th Conference of The International Association for The Economics of Participation (IAFEP), ‘Participation World-Wide’, Katholieke Universiteit Brussel – K.U.B., Brussels, 4-6 July 2002

³ Hadzi Vasileva – Markovska, Slaveski, Pahor, 2001

Chart 2. Total income to total expenditures**Chart 3. Profitability ratio**

Source: Calculated on the basis of: Payment Operations Bureau, Information on the obtained results in the economy of the Republic of Macedonia in the corresponding years.

5. Are there an adequate bankruptcy legislation and effective enforcement procedures in place to allow for the closing of non-viable enterprises?

Republic of Macedonia both within the frames of SFRY and in the period from its independence until the adoption of the Bankruptcy Law in 1997 used to regulate this sphere with the Yugoslav Bankruptcy Law. Today regulation of bankruptcy is enforced according to the Bankruptcy Law ("Official Gazette of RM" No. 55/97, 53/2000, 37/2002 and 17/2004.) The law is drafted according to the German Bankruptcy Law model and comprises most contemporary bankruptcy solutions including UNCITRAL rules. Latest amendments of the Bankruptcy Law provided provisions for achieving greater efficiency and quality of bankruptcies, elimination of certain shortcomings and harmonization with other laws.

The Bankruptcy Law is the basis for liquidation of enterprises. In Article 4 of the Law the reasons for opening of bankruptcy proceedings are stated, which are:

- inability to pay (insolvency), which is a general reason for opening a bankruptcy proceeding;
- over-indebtedness;
- inability for settling claims by debtors in an execution procedure.

The result of a bankruptcy may be either liquidation or reorganization of the company. In the case of liquidation of a debtor-company, the debtor's property is converted into cash and the funds (revenues) obtained are distributed to creditors. The Law provides the possibility to prepare a reorganization plan for the company subject to bankruptcy procedure, in the case of concluding special contract which allows forced settlement of claims. The Law specifies multiple modalities for

implementation of the reorganization plan and for transformation of the debtor-creditor relations into equity, through:

1. Allowing the debtor to manage or dispose of the whole or a portion of his/her property, unless is otherwise specified by the Law;
2. Transferring the entire or a part of debtor's property to one or more legal entities that either exist or will be established;
3. Merging of the debtor with one or more legal persons;
4. Selling all or a part of debtor's property, with or without right to separate settlement;
5. Dividing all or a part of debtor's property among creditors;
6. Determining the manner of settlement of bankruptcy creditors;
7. Settling or changing the rights to separate settlement;
8. Reducing or postponing the payments of debtor's liabilities;
9. Turning debtor's liabilities into loan;
10. Compensating some or all liabilities of a debtor towards creditors with parts or shares which are owned by the partners, i.e. shareholders;
11. Undertaking a guarantee or providing another type of collateral for fulfilment of debtor's liabilities;
12. Transforming some or all debtor's liabilities towards creditors into a stake or shares in the reorganized debtor company, on the basis of the previous assessment of the net value of the paid-up capital of the company by an authorized assessor; and
13. Allowing an increase of the paid-up capital of the company through issuance of new shares and parts for the creditors or for new investors.

It is important to emphasize that amendments to the Bankruptcy Law are in procedure in order to eliminate the shortcomings of organizational and procedural aspect, which appeared in the course of the application of the Law. The changes are made in the frames of the judicial system reforms. Amendments to the Law on Civil Procedure and Law on Execution Procedure are also under way in order to provide legal protection of the participants in the debtor-creditor relation.

6. Has the government prepared sector-specific restructuring packages? If this is the case: Is enterprise viability the guiding principle behind the restructuring programmes or are there other objectives in terms of e.g. employment targets? How are these programmes financed? Is the support from the state compatible with EU state aid rules?

In the case of privatization in the Republic of Macedonia there were no differences in the method of privatization and/or restructuring of enterprises from different sectors in the industry, that is, the same principles and methods were applied for the enterprises in all sectors. The privatization of industrial enterprises without restructuring (See answer [II V 14](#)) differences in the models of privatization existed only in respect to the size of enterprises (small, medium and large) but not in respect to the sector, and the same is the case with the privatization of the enterprises in the industry where previous restructuring was performed (of the loss-making large enterprises, for example). Thus, there are no particular sector specific packages for restructuring of specific sectors. The steel sector is an exception, where the National Restructuring and Conversion Programme in the Steel Industry of the Republic of Macedonia is adopted, which is an obligation according to Protocol 2 of the Stabilisation and Association Agreement.

Although not within the industrial sector, differences in the privatization and restructuring of the enterprises existed for enterprises of other business sectors. The first specific case were the enterprises from the agricultural sector (which started with privatization in 1996), and later on from the telecommunication sector, energy sector (the privatization is in progress), insurance, utilities, lotteries, pharmacies and some health services and etc.

Regarding sector specific restructuring, particular attention deserves the process of restructuring and privatization of agricultural enterprises. At the beginning of the privatisation (in 1993) the agricultural enterprises were exempted from the process, and they were encompassed with a special law – the Law on Transformation of the Enterprises and Co-operatives Utilizing Agricultural Land ("Official Gazette of RM" No. 19/96, 25/99, 81/99 and revised text 48/00), which was enacted in 1996. When compared to the law for the industrial enterprises, an important feature of the Law on privatisation of agricultural enterprises is it required that deeper involvement of the Ministry of Agriculture, Forestry

and Water Economy in the process. The “integrated agricultural combinats”, as well as the enterprises which owned substantial parcels of land, had to be restructured before privatization, and each entity resulting from the restructuring had to be put on sale separately. The rationale behind this kind of restructuring and privatization was the need to increase the efficiency and competitiveness (higher specialization) during their privatisation. Also, 15% of the land owned by the “agricultural combinats” was put for sale to private farmers. The purpose of this policy was to support the development of a market for land in the country.

See the answer to the next question of this chapter.

7. In the case of steel sector restructuring: Have the authorities prepared a restructuring plan that foresees a reduction of capacity based on the analysis of demand? Is implementation proceeding according to schedule, and in line with provisions of the SAA? Please describe the current state of implementation of protocol 2 of the SAA.

In accordance with Article 23 of the Stabilisation and Association Agreement between the European Communities and the Republic of Macedonia of April 2001, i.e. Article 10 of the Interim Agreement on Trade and Trade-related Matters between the European Communities and the Republic of Macedonia, and on the basis of the provisions of Protocol 2 on steel and iron products, the Government of the Republic of Macedonia has adopted the obligation to prepare a National Programme on Restructuring and Conversion of the Steel Manufacturing Industry.

On the basis of a Government decision from 2001 The Ministry of Economy, together with other authorized ministries, is obliged to prepare a National Programme for Restructuring and Conversion of the Steel Industry and to provide its implementation in a five years period. For this purpose within the CARDS Programme in the period 2000 – 2006 (Regulation of the Council of the European Union No. 2666/2000) funds were allocated that were used for formation of the National Programme for Restructuring and Conversion of Iron and Steel Industry, as well as support of the specific sector within the frames of preparing the National Plan on Economic Development.

The National Plan for Restructuring and Conversion of Steel Industry was prepared in cooperation with a foreign consultant (Euro Strategy Consultants) selected via an international tender and the Steel Department of the Ministry of Economy. The National Programme and the individual business plans for the leading companies in this industrial sector (Makstil, Ladna Valavnica and Valavnica za lenti) on 19th July 2004 were adopted by the Government of the Republic of Macedonia, and European Commission have been informed about this matter.

The National Programme for Restructuring and Conversion of Steel Industry and the individual business plans of the companies should provide the companies to achieve the foreseen economic vitality and capability for global competition in the period of five years.

See [15 Annex 01](#)

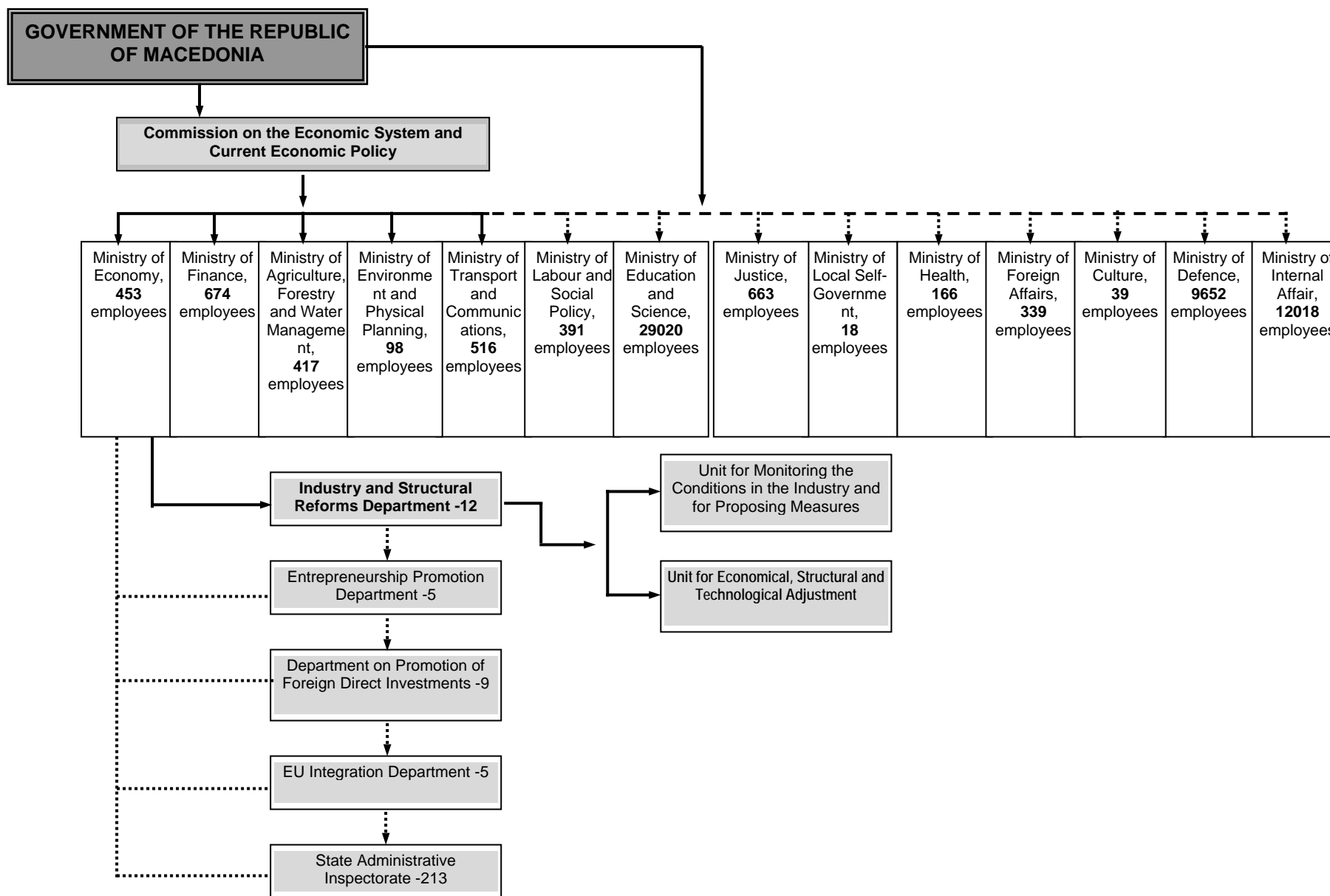
V. ADMINISTRATIVE CAPACITY

1. Which governmental body is responsible for policy-making and co-ordination in the field of industrial policy? Please provide an organigramme and basic information on staffing levels and competencies. Is there an appropriate mechanism to ensure the co-ordination of various governmental policies that have a bearing on industry? How are industrialists consulted on policy? How are responsibilities divided between the central government, regional and local government and the implementing agencies?

The Government of the Republic of Macedonia is a collective body responsible for designing and coordinating the overall economic policy, as well as for determining its strategic priorities. In determining the country's (macro and micro) economic policy for each year there is coordination between all competent ministries and departments. The Government sets up working bodies, i.e. general and special committees. The general committees of the Government are the Committee on Political System, Committee on Economic System and Economic Policy and the Committee on Human Resources and Sustainable Development. In the area of the economy special committees are the Privatization Committee and the Committee on Production of Arms and Ammunition. The working parties of the committees, upon considering the documents, define positions and conclusions which are submitted to the Government for acceptance. Among other activities the Government of the Republic of Macedonia cooperates with the administration of municipalities, of public enterprises and with business entities. The Government applies the principles of publicity and transparency in its work.

The Ministry of Economy is an administrative body with competencies to design industrial policy. The Ministry of Economy, independently and/or in cooperation with other Ministries - in the first place with the Ministry of Agriculture, Forestry and Water Management (competent for the agriculture), and with the Ministry of Finance, the Ministry of Labour and Social Policy, the Ministry of Education and Science and the Ministry of Environment and Physical Planning - drafts policy proposals which are approved by the Government. A Department for Industry and Structural Reforms within the Ministry of Economy is responsible for designing policies for the industry. This Department cooperates with the Entrepreneurship Promotion Department, the Department for Promotion of Foreign Direct Investment, the EU Integration Department, and the State Administrative Inspectorate - a body having executive authority over a segment of the policy implemented by the Ministry of Economy. The organizational chart given below illustrates the departments which prepare and coordinate the implementation of the industrial policy together with number of employees (in accordance with the planned funds for wages in the 2004 Budget).

Regional and local cooperation has an increasing role in the implementation of the part of the industrial policy which deals with promotion of entrepreneurship and development of SMEs. Several years ago a network of SME support centres – Regional Centres, ECA Centres and others – has been established. International donors have provided substantial financial and expert support for the establishment of these centres including: recruitment, staff training and equipment. Those regional centres are a base for the development of an entire institutional network for promotion of entrepreneurship. This is in accordance to decentralization plans, and has the goal to link Government's and donor's policies and programmes with final beneficiaries. Few business incubators are also successfully operating for several years. The institutional framework promoting entrepreneurship includes entrepreneurial zones as well, whose development will emphasize the importance of local economies, through participation and support of local self-government units. The zones should create conditions that will highlight the comparative advantages of local self-government units.



2. Which institutions are responsible for the implementation of the policy, in particular in the areas of privatisation, restructuring, export promotion, investment promotion, innovation and training? What are their main functions, organisation, staffing levels and annual budget? How is co-ordination between the various institutions arranged?

The Government of the Republic of Macedonia is a collective body responsible for designing and coordinating the overall economic policy, as well as for determining its strategic priorities., while the Ministry of Economy is an administrative body with competencies to design the industrial policy. Competent for the implementation of different parts of industrial policy are institutions coordinated by the Ministry of Economy.

An institution responsible for the implementation, i.e. for the organization and control of privatisation of enterprises, is the Privatisation Agency of the Republic of Macedonia. Pursuant to the Law on Transformation of the Enterprises with Socially-Owned Capital ("Official Gazette of RM" No. 38/93, 48/93, 21/98, 25/99, 39/99, 81/99, 49/00, 6/02, 31/03 and 38/04), the Privatisation agency is established in 1993 as a legal entity with public authorisation. The organisation of the Agency is regulated with a Charter approved by the Government of the Republic of Macedonia. The Agency is managed by a Director and governed by a Managing Board comprised of members appointed by the Government. The Agency adopts annual activities programme and financial plan which are approved by the Government of the Republic of Macedonia. The operating expenditures of the Agency are covered by its revenues, in accordance with Agency's programme of activities. For its operation and the use of funds the Agency submits an annual report to the Assembly of the Republic of Macedonia, and a Report with same content is submitted to the Government two times in a year. Pursuant to latest legal changes the Agency will cease to operate by 31.03.2005.

An institution in charge of implementing policies to facilitate creation of favourable conditions for attracting foreign direct investments is the Agency on Foreign Investments in the Republic of Macedonia ("Official Gazette of RM" No. 37/04). It is established by Law which defines its basic scope of work – securing conditions for increased inflow of foreign investments. The Agency has a status of a legal entity and is autonomous in its work. Its headquarters are in Skopje and it can form organizational units (which are not legal entities) abroad. The Agency is managed by a Director selected via public announcement, and is governed by a Managing Board with members appointed by the Government upon proposal of the Minister of Economy. At least twice a year the Agency submits reports on its activities to the Ministry of Economy and the Ministry resubmits them to the Government for adoption. The funds for establishing the Agency are provided from the Budget of the Republic of Macedonia, and for its operations it can receive proceeds from the Budget of the Republic of Macedonia, donations and funds from other sources in accordance with the law. Until now a Managing Board and a Director of this Agency have been appointed, but it still needs additional staffing in order to perform the duties. In the Budget of the Republic of Macedonia for 2005 funds have been allocated for the work of the Agency, and 15 employees are planned to be employed.

The Agency for Promotion of Investment and Development is yet another institution with competencies to implementing policies for creating favourable conditions for attracting foreign direct investment in Macedonia. It is an autonomous body (legal entity) formed by the Government, and its activities are related to: realization of the programme of promoting investments; to observe the implementation of established priorities for increasing domestic and foreign private investments; to observe the implementation of contracts on capital transfer; the implementation of investment activities by foreign investors in the Republic of Macedonia and investment activities by Macedonian legal entities abroad; exchange of information on possibilities for investment; promotion and care for finalizing the secured investments in and outside of the Republic of Macedonia; and other duties established by law. In 2004 the total allocated budget funds for this institution amounted to MKD 75.364.000, with funds for salaries for 15 employees.

The creation of conditions for increasing the competitiveness of SMEs in the Republic of Macedonia through implementation of the Programme on Measures and Activities for Promotion of Entrepreneurship (proposed by the Ministry of Economy and approved by the Government of the Republic of Macedonia), as well as for the implementation of other entrepreneurship programmes set by the

Government, a responsible institution is the Agency for Promotion of Entrepreneurship. It is established pursuant to the Law on Establishment of the Agency for Promotion of Entrepreneurship ("Official Gazette of RM" No. 60/03). The Agency has a status of an autonomous legal entity and for the implementation of the goals and activities of the Programme it is authorised to establish contractual relations with other institutions. The agency is managed by a director selected via public announcement, and is governed by a managing board of members appointed by the Government upon proposal of the Minister of Economy. At least twice a year the Agency submits reports on its activities and use of funds to the Ministry of Economy, while a detailed annual report is submitted to the Government. The funds for the establishing of the Agency are provided by the Government of the Republic of Macedonia, while for its operations, in accordance with previously adopted annual programme, it can receive transfers from the Budget of the Republic of Macedonia and donations and funds from miscellaneous other sources. Until now the managing board and the director have been appointed, but in order to be able to implement its duties the Agency needs additional trained personnel. Funds in the Budget of the Republic of Macedonia have been allocated for the work of the Agency in 2005.

The Directorate for Free Economic Zones is an institution established pursuant to the Law on Free Economic Zones ("Official Gazette of RM" No. 57/99, 41/00 and 6/02) which is authorised to implement the activities for establishing, promoting and monitoring the operations of free economic zones. The scope of its activities are determined by an annual Government programme. The Directorate is managed by a director and governed by a managing board of seven members all appointed by the Government. Funds for its operations are provided from the Budget. At least once a year (by the end of May) the Directorate submits a report on its activities in the previous year to the Government. In 2004 the total allocated budget funds amounted to MKD 8.664.000, including funds for salaries of 10 employees.

The State Aid Committee is formed pursuant to the Law on State Aid ("Official Gazette of RM" No. 24/03) with authorisation to supervise all forms of state aid. The Committee is comprised of three experts appointed by the Government, two proposed by the Minister of Economy and one by the Minister of Finance. The Committee is independent in its work, its decisions are binding and published in the Official Gazette of RM. By 31 March each year the Committee submits report on its decisions, the total amount and the allocations of state aid granted either through schemes or on individual basis. The administrative operations of the Committee are performed by the Office of the Ministry of Economy. The members of the Committee and the employees of the Ministry of Economy which perform the administrative operations of the Committee are obliged to protect confidentiality of all data and information. Except the aid forms eligible by the Law on State Aid, all other providers of state aid are obliged previously to submit request to the Committee about their plans for granting aid or changing the existing aid schemes. No form of state can not become effective until the Committee approves it through a decision, and afterwards each provider of aid should submit an annual report to the Committee on the amount, the use and the effects of the approved state aid. The report has to contain all necessary information for assessment of the aid by the Committee especially the objectives, the size, the time duration, the form and legal grounds, and information regarding the provider and beneficiary of the aid. The manner and the procedure for submitting the report are arranged by the Government of the Republic of Macedonia. The Committee will assess each proposal for state aid and will decide on its approval or refusal depending on the compatibility or incompatibility of the proposal with Law on State Aid.

3. Which professional organisations exist and how are the interests of industry represented in these organisations? What co-operation exists between these organisations and government policy makers?

In the Republic of Macedonia there are several professional organizations.

The Chamber of Commerce of Macedonia is a business, professional, non-profit, non-political and independent association of the economy, which has a long continuity of chamber organizing. From 1990 until recently it acted as a sole professional association of the businessmen in the country, i.e. as a representative of the interests of the business community. The present statute and functions of the Chamber are derived from the Law on Chamber of Commerce of the Republic of Macedonia of 1990 ("Official Gazette of RM" No. 38/90).

The interests of the economic entities - members are articulated through multiple points of action of the Chamber. It is a business service of the economy. Its members have either free, or available at a low

price, access to databases, information and consulting services of various kinds: (a) registering of firms, (b) global and analytical branch and sector data on physical volume of production, production capacities, volume of foreign trade, supply and demand; (c) information on fairs, possibilities for education, e-commerce, announcement of domestic and foreign tenders, projects and credit lines; (d) automatic connection of domestic and foreign supply and demand; (e) business resource centre; (f) financial and legal consulting and arbitration; (g) information connected with implementation of ISO standards and system of quality, services of EAN MAK; (h) e-market centre for placement of products of small enterprises; (i) information regarding European integration (cooperation with EU, technical aid and programmes, customs, documentation, etc.); (j) legal regulations, the state of the Macedonian economy; (k) opportunities for investing and potentials of the Republic of Macedonia. The Information system of the Chamber of Commerce of Macedonia is integrated, interactive and web-oriented, providing its members with fast flow of business information, support of the process of technical, technological and overall development modernization of their work.

As separate organizational units within the Chamber, there are centres for: integration into the European Union, promotion of small and medium size enterprises and ISO standards, which derive from postulated programme and development priorities of the Chamber members. Shaping of the activities of the centres is in accordance with the needs of members for educating their personnel and for different consulting services in the process of harmonization of the national legislation, implementation of the European quality standards and especially for programme supported development of the medium and small size enterprises, which requires separate treatment within the organizational establishment of the branch associations in the Chamber. In this sense, the administrative personnel of the Chamber is elected members of a large number of working groups and subgroups working on implementation of the European standards. There is also administrative personnel for ISO standards certification which, in cooperation with BSI (British Standards Institute), have implemented these standards into large number of business entities. The centres organize training activities and seminars for the managing and expert personnel of the member businesses;

The Chamber also has public authorizations determined by law and other legal acts, and issues certificates, and other documents upon its members' demands and on the basis of inspected original documents issued by an authorized body, such as certificates of origin, GSP certificates, ATA plates, certificates of exclusivity, expert opinions on presence of deceptive advertising, etc.

The Chamber of Commerce of Macedonia represents the interests of the business entities through promoting initiatives and providing professional opinions to Government bodies, to committees of the Assembly and through the Economic and Social Council, whose member it is. The direct participation of the Chamber in the process of creating system solutions in the authorized working bodies and committees of the Government and the Assembly is mainly upon their request, and is realized through direct participation.

Macedonian Chamber of Commerce is an active promoter of the national economy abroad. The Chamber implements that activity as an active member of large number of international institutions and organizations: The International Chamber of Commerce (ICC), Association of the European Chambers EUROCHAMBRES, Association of the Balkan Chambers (ABC), Conference of the Presidents of the Central European Chambers of Commerce Initiative (CECCI), ATA Plates System, EAN International, SECI National PRO Committee (MAKPRO), Trade and Transport Facilitation in Southeast Europe Program (TTFSE), Partnership Project of ABC and the Association of the German Chambers of Commerce and Industry (ABC-DIHK), Balkan Centre for Trade Promotion (BCTP), Balkan Association of Tourist Agencies (BAFTA), and others. The Chamber is a partner in three mixed chambers (with the chamber institutions of Bulgaria, Slovenia and Croatia), as well as in eight business councils (with business associations or chambers of: the USA, Russia, Canada, Turkey, Romania, Albania, Poland, Serbia and Montenegro). On the basis of agreements on bilateral inter-chamber cooperation, the Chamber cooperates with twenty-four chamber institutions in the world.

In the course of 2004 a new Union of Chambers was established. A new Law on the Chamber of Commerce of Macedonia is in procedure of adoption, and it is in procedure in the Assembly.

In addition to the chamber organizing, several forms of public-private partnerships that have been recently formed in the Republic of Macedonia contribute to the transparency in the work of the public administration and to the influence of the business community on formulation and implementation of the industrial (and overall economic) policy. In general, the real influence and role of the public-private partnerships have not been completely accomplished in Macedonia yet, and they are in a process of building, although their influence is obvious in the formation of the Government's economic policy. These include: The National Entrepreneurship and Competitiveness Council of Macedonia (formed upon the initiative of the Macedonia Competitiveness Activity), the Managing Committee of the project Administrative Barriers for Investing (which is being realized in cooperation with FIAS), and the International Council of Investors, which cooperates with the Government of Macedonia and the national institutes with a goal to discuss the influence of the legislation on the functioning of the private sector, examine the demands of the foreign investors in the country and give recommendations in other fields. In this context, reference can be made to the Euro Info Correspondence Centre (EICC) in Skopje which is the first "one-stop-shop" centre for supporting SMEs. This centre provides valuable information and assistance on European Union matters, such as: access to the European market, EU funds and EU tenders.

In the Republic of Macedonia there are also several professional organizations (of textile producers, honey producers, food producers, etc) that co-operate with competent bodies for certain issues. The competent bodies organize round tables and similar activities, in order to exchange opinions on certain issues in the field of industrial development and economic policy. The co-operation of the policy makers with these organizations is continuous.

4. Has the government supported the creation of free zones and industrial parks or similar initiatives? If so, how can their operation be assessed so far? Are the relevant contractual agreements consistent with EU regulations?

The Republic of Macedonia supports the creation of free economic zones. At present one zone is in operation, "Dolina na Nikelot " – Kavadarci ("Valley of Nickel" –Kavadarci), which is founded with already existing industrial capacities. "Dolina na Nikelot – Kavadarci co-operates with its founder "FENI Industry" – Kavadarci and several other users. In the Agreement for Purchase of Shares, for 100% of the shares of FENI, Kavadarci, between the Government of the Republic of Macedonia and SCMM (Societe Commerciale des Metaux et Minerals) – France, of 3rd November 2000, there are no provisions in the case of the Republic of Macedonia becoming a member of the European Union.

The Government of the Republic of Macedonia has issued consent for the greenfield free economic zone "Bunardzik" – Skopje. The free economic zone "Bunardzik" has not started operating yet. The best bidder has undertaken activities for registration of the Company in accordance to the Company Law ("Official Gazette of RM" No. 28/04) , after which investments and infrastructure activities are expected. In accordance to the provisions of the Agreement for Establishment and Development of the Free Economic Zone Bunardzik, agreed between the Directorate for Free Economic Zones and the founder Glendor Estate Ltd Wales and the Agreement for Long-term Lease of Construction Land and Objects of the Free Economic Zone Bunardzik, the harmonization of the treatment of the free economic zone Bunardzik with the legislation of the European Union is planned to happen.

Industrial parks as instruments for support of technologically innovative enterprises are merely in initiation, although they are planned in the "Programme of Measures and Activities on Entrepreneurship Promotion and Creation of Competitiveness of the Small and Medium Size Businesses in the Republic of Macedonia." Activities for creation of one industrial park in Bitola are in the start-up phase, in cooperation with partners from the Republic of Greece, the Faculty of Technical Sciences in Bitola and the Foundation for Small and Medium Size Enterprises. However, an effort must be made for stronger activities in this field. In the Republic of Macedonia 8 incubators operate successfully, where industrial and other enterprises are being developed.

See [25.11.7](#)