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ACCESSION OF THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Information on the Changes in the Foreign Trade Regime of the Former Yugoslav Republic of Macedonia and on the Current Economic Situation

The Government of the Former Yugoslav Republic of Macedonia has submitted the following information on the changes in its foreign trade regime and on the current economic situation, with the request that it be circulated to Working Party members.

This document has been prepared in order to inform WTO Members of the most significant changes that have occurred in the foreign trade regime since submitting the Memorandum for accession to the WTO, that is since 16 July 1996. The most recent parameters of the current economic situation have also been included. In order to track the changes in the regulation more easily, the same titles and sub-titles that have been used in the Memorandum are used in the attached information. The parts that have not been changed are not included.

This document should be read in conjunction with the Memorandum on the Foreign Trade Regime of the Former Yugoslav Republic of Macedonia (document WT/ACC/807/2). To facilitate this task, a table of contents referring to both documents is attached hereto. Questions on the present document by members of the Working Party are also invited by 21 May 1999 for transmission to the authorities of the Former Yugoslav Republic of Macedonia.

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II. ECONOMY, ECONOMIC POLICY AND FOREIGN TRADE

1. Economy

(b) Current economic situation

The most important event after the submission of the Memorandum in 1996, was the cease of the decreasing trend of the gross domestic product (GDP). It is assessed that the 3 per cent 1998 GDP growth was basically owed to the growth in industry, agriculture, trade and transport, which together make up 50 per cent of the GDP.

In the field of industry the following branches had the largest share in the country's 1998¹ GDP: food products (4.6 per cent); energy sector (3.7 per cent); textile and leather processing industry (2.6 per cent); equipment and durable consumer goods (2.2 per cent); base metals (2.1 per cent); chemical industry (1.8 per cent); non-metals and construction materials (1.7 per cent), etc.

However, despite the above-stated, the level of utilization of the available production capacities was 50 per cent.

The 1998 macroeconomic policy of the Republic of Macedonia maintained the basic postulates and global macroeconomic goals defined in the Stabilization Programme, adopted by the Government of the Republic of Macedonia by the end of 1993.

In 1998 there was a low inflation rate, stable exchange rate of the Denar, and an increase of the country's foreign currency reserves. In addition, there was a production and export-import growth. It should be underlined that the production growth had a relatively low starting basis. The process of organisational and ownership restructuring of the economic operators continued, and produced the initial effects in the enterprises' management and operation.

In 1998, on an annual basis, there were deflation trends. This indicates the low purchasing power of the largest part of the population.

The low inflation rate is primarily owed to the restrictive monetary and fiscal policy, as well as to the package of measures for prevention of the operation of the so-called inflationary spiral, after the devaluation of the Denar in 1997.

The limitation of the aggregate demand was also applied on the consistent implementation of the monetary policy.

The National Bank started using the exchange rate of the Denar, as the intermediary aim of the monetary policy, in the last quarter of 1995 and this has since coincided with the period of low inflation rates, thus far.

The trends in the monetary sphere have been basically determined by the situation at the foreign exchange market, and were conditioned by the disturbed relations in the balance of payments and the need to intervene with regard to the supply.

In conditions of still underdeveloped financial market, the regulation of the money supply was conducted by using the money emission in the narrowest sense of the word. In this regard, there was a continuation of the intensified use of operations on the open market (deposit and treasury bill auctions). For the purpose of regulating the money supply there were limitations of the Denar sales of

¹ Source: Statistical Office of the Republic of Macedonia.

banks, while for the purposes of more efficient utilization, a fluctuating basis for distribution of the banks' credit limits were also used.

In the last period, there has been a permanent decrease of the share of the current deficits of the country's budget and of the social funds budgets in the country's GDP. It should be underlined that the budget deficit was projected and realized at a very low level, characteristic of countries with developed market economy (about 2 per cent of the GDP) and is exclusively related to the liabilities for foreign debts.

The level of tax burden and the disproportionately great use of budget funds for public administration, social problems and similar, leave very little manoeuvring room for capital investments and development support, in general.

The primary goals of the external sector policy are foreign trade liberalization, increase of goods and services exports, conclusion of free trade agreements, normalization of the relations with the multilateral and bilateral creditors, maintenance of the stable exchange rate of the Denar.

The large foreign trade deficit is a consequence of the high foreign trade liberalization level, but also of the demand of industry for raw materials and semi-manufactures, and of the necessity to raise the technical-technological level. The deficit was financed by using commercial, commodity and financial credits and by official and private transfers.

The Cooperation Agreement with the European Union has had a positive influence on the foreign trade sector. This has also been the case with the agreements on economic and other types of cooperation concluded with a large number of countries. With the aim of intensifying regional and other types of cooperation, free trade agreements have been signed with several states.

In the period thus far, the policy of management flexibility, the market defined exchange rate of the Denar has been continuously pursued. Thus, its highly stable rate has been secured and maintained. Namely, except the devaluation in June 1997 which was a consequence of the high costs for its long term maintenance, in the remaining period the fluctuations, as related to the Deutsche Mark, have been minimal – about one per cent.

In 1996 conditions were created for a gradual overcoming of the recession phase of the economic cycle which uninterruptedly continued as of 1989, and the Macedonian economy, although with a low level, entered the stage of slight (modest) economic growth. In 1989 there was a relatively accelerated growth of the real GDP, which was assessed to three per cent. However, the Macedonian economy is below the potential level of its development, since the real GDP in 1998 was half of the 1989 GDP.

Economic activities are undertaken in conditions characterized with problems and limiting factors, and are especially related to the transformation processes. Furthermore, there have been extremely unfavourable financial situations in part of the enterprises, there has been a lack of long-term strategy with the largest number of businessmen, as well as obsolete technological lines, high depreciation equipment level, low level of utilization of the capacities, high costs and operative losses, low prices at foreign markets, not very satisfactory raw material and semi-manufactures supply, critically low stockpile levels of basic raw materials, semi-manufacturers and spare parts, and finally there have been a large number of businessmen complaining of difficulties in marketing their products.

The high unemployment rate is still present. The number of registered persons unemployed as a result of the structural changes and processes of defensive restructuring of the economic operators had the expected decreasing trend. In 1997 and in 1998 this intensity declined. The 1998 unemployment rate was 34.5 per cent (in 1997 it was 36.0 per cent).

In the period thus far there have been further activities undertaken for the realization of the restructuring process and for rehabilitation of the banking sector.

However, the situation in the banking sector is still featured with uncompleted processes of restructuring and rehabilitation, low quality credit portfolios, insufficient capitalization, and in certain financial institutions there has been insufficiently rational and inefficient management and organisational set-up.

2. Economic Policies

(a) Main directions of the ongoing economic policies

The parameters and the basic rationale of the Government in the design of the institutions and relations in the economic systems have not been changed.

In 1999, the basic tasks of the macro-economic policy and of the structural reforms are the following:

- Establishment of conditions and prerequisites for maintenance of the current trends and increasing the intensity of the production and services growth;
- Increase of the number of employed persons and decrease of the persons seeking employment;
- Increase of the goods and services exports and improvement of the standard of living of the population.

With the aim of achieving these goals, there will be an investment cycle initiated, primarily in the small and medium private enterprises, by way of increased engagement and mobilization of the domestic accumulation, foreign capital inflow on different basis, restructuring, revitalization, modernization and financial consolidation of the existing capacities, etc.

The attraction of foreign direct investments is of utmost importance. In order to reach this goal the necessary legal framework will be promptly finalized. Furthermore, an institutional solution is being prepared, which will facilitate the investment coordination.

In 1999 the policy of controlled payment of salaries for budgetary beneficiaries will be further pursued, in order to bring the aggregate expenditure within the possibilities and prevent it from acting as the generator of uncontrolled inflation trends.

In 1999, in principle, the policy of free price formation will also be pursued, on the basis of demand-supply. Price control will be applied only to a small number of goods and services, which are of importance for the standard of living of the population and which have a certain monopoly status on the market, as stated in the Memorandum.

With the aim of securing complete compatibility of the tax system with the European Union tax system, further reforms in this sphere will be undertaken.

Ending with 31 December 1998, the ownership transformation of a total number of 1,435 enterprises (85 per cent) was completed, while 177 enterprises are in the process of privatization. It is expected that this process will be completed within the next several months. 95.3 per cent of the total number of enterprises have been privatized or are in the process of privatization.

The privatization processes, assessed according to the number of employed persons, demonstrates that the completely privatized enterprises employ 213.013 persons or 84 per cent of the

total number of employed persons. The enterprises, which are in the process of privatization, employ 27.208 persons or 11 per cent of the total number of employed persons, encompassed with the privatization process. According to this determinant, about 95 per cent of the enterprises have completed or are currently undergoing this process.

In 1998, the efforts for organised and comprehensive support to the small and medium-size enterprises continued, this being the key element for the restructuring process.

Several credit lines intended for small and medium enterprise development are being realized and these are the credit lines from: the European Bank for Reconstruction and Development (EBRD), International Bank for Reconstruction and Development (IBRD), credit from the Government of Federal Republic of Germany (German Bank of Settlement) for the Government of the Republic of Macedonia, the International Fund for Agricultural Development (IFAD) and the PHARE Programme for support of small and medium size enterprises.

The Macedonian Bank for Development Support was established in 1998, one sector of which will be engaged on the support of the development of small and medium size enterprises. This Bank was established through the technical assistance from the German Bank for Reconstruction and Development (KfW) from Frankfurt, as part of the technical assistance which the Government of the Federal Republic of Germany has approved for the Republic of Macedonia.

(b) Monetary and fiscal policy

The basic feature of the monetary policy in the last several years has been its orientation towards decrease and maintenance of the low inflation rate. One of the results of such a monetary policy has been the rapid decrease of the inflation rate, which in 1998 was 0.8 per cent annual rate (average 1998 rate). According to the realized price stability (four-year continuous one digit inflation), the Republic of Macedonia is the most successful among the transition countries.

The basic aim of the 1999 monetary policy is the maintenance of the low inflation rate.

The growth of the money stock M1 (deposit money and cash money in circulation) in 1998 was 8.5 per cent, what is in accordance with the projected 9.3 per cent growth rate. The National Bank of the Republic of Macedonia has secured such a growth by applying instruments of direct control (deposit and treasury bill auctions of the National Bank) and by a lesser use of the direct control (limitation of the Denar bank credits), which as an instrument of monetary regulation, is gradually abandoned.

Fiscal policy

The structure of the budgetary revenues of the Republic of Macedonia is given in the table below.

Structure of the 1998 Budgetary Revenues of the Republic of Macedonia

Total Revenues	100.0 per cent
Tax Revenues	78.5 per cent
- Personal Income Tax	24.0 per cent
- Profits Tax	4.6 per cent
- Tax on Turnover of Goods and Services	23.1 per cent
- Excise Tax	26.8 per cent
Duties	2.3 per cent
Customs and special duties	17.7 per cent
Other revenues	1.5 per cent

Source: B-2 Forms

Property Tax

After the submission of the Memorandum, the property tax has been unified and has been set to 0.10 per cent proportional rate.

Inheritance and Gift Tax

Meanwhile, there has been a decrease of the inheritance tax rates. The inheritors or the recipients of the gift, in the first line of inheritance, do not pay tax. A taxpayer of the second inheritance line pays 3 per cent tax, while taxpayers of the third inheritance line or taxpayers that are not related to the person leaving the inheritance pay five per cent tax.

Tax on Turnover of Goods and Services

After the submission of the Memorandum, with the aim of improving the collecting of excise tax, the Government of the Republic of Macedonia introduced control stickers (banderoles) which are obligatory for tobacco processing (cigarettes) and for alcoholic beverages (up to 2 litre packages intended for final consumers).

Excise taxpayers are the following:

- Producers or importers of oil derivatives, tobacco processing, alcoholic beverages and coffee;
- Buyers of passengers' cars;
- Each participant in the turnover chain for luxury goods, when the excise tax is calculated on the achieved purchasing price of the goods, but the State collects the tax after the concerned amount of excise tax is subtracted from the excise tax paid for procurement of the same goods.

For imports, the excise tax is charged by the customs house.

Excise tax is paid in uniform amounts and under equal conditions both by domestic manufacturers and for imported goods.

Share of Tax on Turnover of Goods and Services and
Excise Tax in the 1998 Budget (in 000 Denars)

Expenditure taxes	Collected revenues	Share in the Budget
1. Tax on Turnover of Goods and Services		
- general 25 per cent rate	1.677.544	4.39 per cent
- decreased 5 per cent rate	1.926.205	5.04 per cent
- turnover tax paid on imports	2.522.725	6.61 per cent
- tariff No. 3-10 per cent	122.673	0.32 per cent
- tax on turnover of freight vehicles	156.036	0.40 per cent
2. Tax on Turnover of Services		
- general 13 per cent rate	2.399.691	6.28 per cent
3. Excise Tax		
- oil derivatives	6.847.448	17.94 per cent
- tobacco processing	1.416.636	3.71 per cent
- beverages	1.089.219	2.85 per cent

Expenditure taxes	Collected revenues	Share in the Budget
- passengers' cars	704.766	1.84 per cent
- luxury items	12.873	0.03 per cent
- coffee	170.623	0.44 per cent
TOTAL:	19.046.439	49.91 per cent

Note: Source of information: B-2 forms. The 1998 State Budget was 38.158.591 Denars.

Preparations for introduction of VAT

As explained in the Memorandum, the Government of the Republic of Macedonia, being firmly committed to introduce the value added tax (VAT), on 25 April 1994 adopted a Decision for establishment of a Commission for Introduction of the Value Added Tax.

In 1993 and in 1994, there was cooperation with the Columbia experts and with the experts of the USA Treasury, in the form of a technical assistance for VAT introduction, through the USAID.

The Ministry of Finance asked for advice from the International Monetary Fund in connection with the VAT application policy. Therefore, in November 1996, a mission from the Fiscal Affairs Department at the IMF visited Macedonia.

As part of the technical cooperation with the Federal Republic of Germany, there are plans for a support project for introduction of the VAT. The entity to implement the project is the German Technical Cooperation Association (GTCA).

GTCA in cooperation with the Ministry of Finance organised a seminar on the VAT system in December 1998, for the employees of the Public Revenue Office.

The final Draft VAT Law is being prepared, i.e., in March this year the draft will be submitted to the Government of the Republic of Macedonia. It is expected that the Assembly of the Republic of Macedonia will adopt the Law in May, and that it will be applied as of 1 January 2000.

- (c) Foreign exchange and payments system, relations with the International Monetary Fund, application of foreign exchange controls
- (ii) Foreign exchange market

In 1998 there was a total turnover of 1.250 million US\$, what represents an 18.8 per cent increase, as compared to 1997.

In 1998, the National Bank of the Republic of Macedonia intervened at the foreign exchange market. In the first half year, it bought out surplus foreign currency, at the foreign currency market, in the amount of 37.15 million US\$, and it also intervened by selling 45.38 million US\$. In the second half of the year, the National Bank bought out 53.07 million US\$, and sold 16.17 million US\$.

- (iv) Relations with the IMF and other international financial institutions
- IMF support to the balance of payment

The 1994 stabilization policy of the Republic of Macedonia was supported by a transformation credit arrangement system.

After the successfully implemented stand-by arrangement, and for the purpose of further long-term maintenance of the achieved macroeconomic stability, by way of enhanced structural

reforms, a three-year ESAF (enhanced structural adjustment credit) arrangement for the period from 1997 to 1999, in the total amount of 54.56 million SDR (about 75 million US\$), was concluded. This arrangement is allocated each year in two instalments. Thus, the first instalment for 1997 was drawn on 18 April 1997 in the amount of 9.1 million SDR (about 12.4 million US\$), while the second instalment was drawn on 14 November 1997 in the same amount of 9.1 million SDR. The successful implementation of the economic policy in 1998, agreed upon with the Fund, resulted in two-year ESAF loan, on 19 June 1998, in the amount of 18.19 million SDR (about 25 million US\$) out of which the first instalment in the amount of 9.1 SDR was drawn by the end of June 1998.

Thus far, a total amount of 101.7 million SDR (about 139 million US\$) have been approved and envisaged, while 77.4 million SDR (101 million US\$) have been used.

- Annual Consultations with the IMF

The Republic of Macedonia inherited from the former SFRY the status of the transitory arrangement, which the former SFRY had with the Fund, according to Article XIV.

Starting with 19 June 1998, effectively, the Republic of Macedonia accepted the obligations resulting from Article VIII, part 2, 3 and 4. In order to accept the status of Article VIII, in accordance with the remarks made by the IMF mission, which visited the Republic of Macedonia for this purpose, appropriate legislative amendments were introduced.

In the relations of the Republic of Macedonia with the Fund thus far, in addition to the financial support there has also been significant technical assistance by the Fund, both in the field of the foreign currency system and the support to the payment operations system, and in the field of fiscal policy. The International Monetary Fund regularly organises courses in these fields, as well as in the field of fiscal policy, in Washington and in Vienna, which are entirely sponsored by the Fund, and are regularly attended by representatives of the Republic of Macedonia.

- World Bank

In September 1996 a loan was arranged with the International Bank for Reconstruction and Development (IBRD) for development of the private sector in the amount of 18.0 million DEM (9.9 million US\$), while two credit arrangements were made with the International Development Association, one for the health care sector transition project in the amount of 11.8 million SDR (15.7 per cent million US\$) and for the project for support of private farmers in the amount of 5.4 million SDR (7.2 million US\$).

The cooperation with the World Bank continued in 1997, when as part of the policy for structural reform support, in May the SAL arrangement was concluded (Structural Adjustment Loan) with the IBRD in the amount of 44.4 million DEM (24.5 per cent million US\$), as well as an arrangement in the amount of 20.6 million SDR (27.4 per cent million US\$) with the IDA. This year, there have also been loans for certain projects concluded with the IBRD, i.e., as an addition to the first private sector development project, a second project for private sector development was concluded (PSDL II) in the amount of 45.0 million DEM (24.9 million US\$), as well as for the project of the irrigation system rehabilitation in the amount of 13.5 million DEM (7.5 million US\$). There was a credit concluded with the IDA for the rehabilitation of the education sector in the amount of 3.6 million SDR (4.8 million US\$) and for the project for irrigation system rehabilitation in the amount of 3.7 million SDR (4.9 US\$).

Within the cooperation with the World Bank, in 1997, there were three credits concluded with the International Financial Corporation (IFC), in regard to which it should be underlined that they were not guaranteed by the Republic of Macedonia, and were disbursed to certain enterprises and banks in the total amount of 6.1 million US\$.

Since 1998 thus far, there has been a credit arranged with the IBRD in the amount of 61.5 million DEM (about 34.0 million US\$) for reconstruction of hydro-electric power plants. A credit in the amount of 22.35 million SDR (about 30 million US\$) has been arranged with the IDA for social sector adjustment and for pension system reform, and the IFC has approved a credit for Macedonian Telecommunications in the amount of 50.0 million US\$, intended for the privatization of this institution.

- Other International Financial Institutions

In the period thus far, in the relations with the European Bank for Reconstruction and Development (EBRD), there have been credits concluded in the total amount of 153.5 million US\$, out of which 98.1 million US\$ have been used. Most of the credits are used for the public sector: electric power industry, air traffic control and telecommunications, while a smaller amount (about 29 million US\$) for development of the private sector (small and medium size enterprises).

In the relations with the European Investment Bank, after the clearing of the inherited matured due debt towards this institution in 1997 in the amount of about 30 million US\$, in July 1998, for the first time, a new credit was concluded in the amount of about 70.0 million ECU, which is part of the Protocol for Financial Cooperation with the EU. For the purposes of the macro-financial stability of the Republic of Macedonia, two instalments of credit from the European union have been drawn in the total amount of 40.0 million ECU (about 43 million US\$).

(d) Foreign and domestic investments policy

As stated in the Memorandum, economic operators enjoy full freedom in the definition of the directions for their investment activities. They independently design their business policy in the field of future investments. The freedom of market and entrepreneurship and the legal protection of ownership are guaranteed in the Constitution and may be limited by law only for the purposes of the defence of the State, preservation of nature and environment, or of the people's health (Article 55, paragraph 3 of the Constitution).

With the aim of attracting foreign investments, the project entitled "Development of National Institutions for Attraction of Foreign Investments in the Republic of Macedonia" is currently being implemented, with the technical assistance of the United Nations Development Program (UNDP), through the United Nations Industrial Development Organization (UNIDO), as the executing agency.

- Future Priorities

The Republic of Macedonia will continue the development of democratic society by guaranteeing the basic human rights and freedoms, introducing open market economy, legal protection of ownership, full cooperation with the neighbouring countries and inclusion in the European integration processes.

The National Strategy for Economic Development of the Republic of Macedonia² was promoted at the beginning of 1998. The Strategy elaborates the institutional, system and other prerequisites, basic development factors, sector development strategy, infrastructure development, and envisages possible quantitative development scenarios until year 2002.

The Strategy underlines the vital development goals, then the basic performances, the need for open economy, maintenance of the attained macro-economic stability, but at a higher level with

² The Macedonian Academy of Arts and Sciences has prepared this Study, in consultations with experts from the Vienna Institute for Comparative Economic Studies and the UNDP.

increased domestic supply (increased volume, quality and range of products), and it especially stresses that the development must be based on firm export orientation, increase of employment, and improvement of the social status of the population.

Starting with the results of the scientific researches, expert conclusions and commitments of the Government of the Republic of Macedonia, the main long-term development goals are the following:

- strengthening the democracy and open market processes;
- inclusion of the Republic of Macedonia in the European economic integration processes;
- maintenance of the macro-economic balance and monetary stability at higher level;
- creating conditions and prerequisites for production growth and for securing sustainable development;
- production-technological restructuring in the direction of increase of the participation of fast growing industry and accelerating branches;
- enlargement of the cooperation with foreign partners, especially by foreign direct investments;
- supporting the qualitative development factors, for the purposes of modernization of the production facilities;
- rational utilization of the country's potentials and resources;
- increasing the employment on the basis of enlargement of the industrial and service sectors;
- development of competitive relations for the purpose of full integration of the national markets of goods, services, capital, technology and labour in the world markets;
- strengthening of the export orientation of the production of goods and services on the basis of the increase of the competitiveness of the goods and services at the world market;
- raising the general development level by cooperation in the field of science, technology, culture, education, information and communication links with international data bases, services and networks;
- transformation of the education in an important factor and basis for the economic, scientific-technological, social and cultural progress.

3. Foreign Trade in Goods and Services

The 1998 foreign trade volume of the Republic of Macedonia was US\$3.235 million: there were exports in the amount of US\$1.322.052, and imports in the amount of US\$1.913.457. The trade volume was increased by 10 per cent, as compared to the previous year, i.e., there was 5.35 per cent exports growth, and 2.96 per cent imports growth. The import/export coverage ratio was 69.1 per cent, and the trade deficit was US\$ -591.423.000.

1995-1998 Goods and Services Imports and Exports (in 1.000 US\$)

	1995	1996	1997	1998
FOB goods exports	1.204.048	1.147.440	1.201.255	1.322.052
CIF goods imports	1.718.904	1.626.917	1.740.103	1.913.457
Trade Balance	- 514.856	- 479.477	- 538.848	-591.423
Export-import Coverage ratio	70.0 per cent	70.5 per cent	69.0 per cent	69.1 per cent
Annual rate of changes in goods exports	10.8 per cent	-4.7 per cent	4.7 per cent	10.05 per cent
Annual rate of changes in goods imports	15.8 per cent	54 per cent	7.0 per cent	9.96 per cent

According to the economic grouping of the countries, in 1998, goods exports were mostly directed to the EU member countries, with 44.2 per cent share in the total exports, while the states-successors to the former SFRY participated with 26.9 per cent. EU Member States participate in the goods imports at most with 36.3 per cent, while the State successors to the former SFRY participate with 24.3 per cent

1998 Export Import Structure
(in percentages (per cent))

	Export	Import
Total	100.0	100.0
Developed countries	62.2	48.4
- EU	44.2	36.3
- EFTA	3.4	1.9
- Other developed countries	14.6	10.3
Central and East European countries	8.3	20.9
Developing countries	2.5	6.0
Least developed countries	0.2	0.4
States successors to the former SFRY	26.9	24.3
Other countries	0.0	0.0
Countries with largest trade volume		
- Germany	21.4	13.3
- FR Yugoslavia	18.2	12.8
- USA	13.2	5.3
- Italy	7.3	5.7
- Greece	6.3	5.9
- Slovenia	3.1	7.8
- Bulgaria	3.2	4.5

According to the economic use of goods, there have been exports mostly of semi-manufactures - 48.9 per cent, and general consumption goods - 47.0 per cent. The semi-manufactures also mostly participate in the imports - 64.9 per cent, and general consumption goods participate with 21.5 per cent.

1998 Export –Import Structure According to the Economic Use
(in 1000 US\$)

	EXPORT		IMPORT	
	Value	Structure	Value	Structure
Total	1.322.052	100.0%	1.913.475	100.0%
Semi-Manufactures	645.924	48.9%	1.242.491	64.9%
Capital Equipment	52.926	4.0%	247.319	12.9%
General Consumption Goods	621.694	47.0%	412.136	21.5%
Undistributed	1.507	0.1%	11.529	0.6%

4. Domestic Trade in Services Including Value and Composition of Foreign Direct Investment

In accordance with the Statistical Research Programme, in 1998, the Statistical Office of the Republic of Macedonia conducted an annual research of the foreign direct investments, investment

operations abroad and of the long-term production cooperation. The value of the foreign direct investments in the Republic of Macedonia, in 1997, was 30.902.000 US\$, in which the EFTA countries participated with 54.0 per cent, and the EU countries participated with 36.3 per cent. Out of the total foreign direct investments in 1997, 83.7 per cent were investments in the industry and mining, 10.8 per cent in trade, 3.0 per cent in transport and 1.5 per cent in the other sectors.

1997 Foreign Direct Investments In-Flow in the Republic of Macedonia

	Number of contracts	per cent	Value in 000 US\$	per cent
Developed countries	99	84.6	29.860	96.6
EU	80	68.4	11.232	36.3
Greece	34	29.0	4.383	14.2
Austria	7	6.0	4.315	14.0
Germany	23	19.6	1.910	6.2
Sweden	2	1.7	410	1.3
Italy	7	6.0	141	0.5
France	3	2.5	30	0.1
Denmark	1	0.9	29	0.1
Belgium	1	0.9	6	0.0
United Kingdom	1	0.9	5	0.0
The Netherlands	1	0.9	3	0.0
EFTA	8	6.8	16.687	54.0
Liechtenstein	1	0.9	16.207	52.4
Switzerland	7	6.0	480	1.6
Non-European OECD countries	11	9.4	1.941	6.3
USA	3	2.5	1.730	5.6
Turkey	3	2.5	109	0.4
Australia	4	3.4	92	0.3
Canada	1	0.9	10	0.0
Developing countries	18	15.4	1.042	3.4
States-successors to the former SFRY	14	12.0	1.014	3.3
FR Yugoslavia	9	7.7	474	1.5
Croatia	1	0.9	438	1.4
Slovenia	3	2.5	89	0.3
Bosnia and Herzegovina	1	0.9	13	0.0
Other European countries	4	3.4	28	0.1
Poland	1	0.9	1	0.0
Bulgaria	3	2.5	27	0.1
Total	117	100.0	30.902	100.0

In-Flow and Structure of the 1997 Foreign Direct Investments in
the Republic of Macedonia According to Economic Sectors

	Amount in 1.000 US\$	Structure (per cent)
Industry and Mining	25.870	83.7
Trade	3.346	10.8
Transport and Communications	1.221	4.0
Other	465	1.5

5. Information on Growth in Trade in Goods and Services Over Recent Years and Forecasts for Years to Come

The raising of the overall volume of the foreign trade is of extraordinary importance for the Republic of Macedonia for the purpose of realizing future accelerated economic development. The principles of free flow of goods, services, technology and knowledge should enable the Macedonian economy to be included in the current integration processes in the world economy. In this context, building economic relations by respecting the multilateral trading principles, the Republic of Macedonia endeavours to be integrated in the trends of the world trading system.

As compared to the 1990-1994 period, when the trade had a uneven dynamics because of the situation in the region, as of 1995 the foreign trade level has been continuously raised.

In 1997 and in 1998 there was a positive trend in the foreign trade, i.e., increase of the export and import of goods, after the decrease which occurred in 1996, while in the field of services there has been a decrease in the last two years.

1995-1998 Goods and Services Exports
(In million US\$ and in per cent)

	1995		1996		1997		1998	
	Value	Growth rate	Value	Growth rate	Value	Growth rate	Value	Growth rate
Goods	1.204	10.8	1.147	-4.7	1.201	4.7	1.322	10.1
Services	186	8.1	154	-17.2	128	-16.9	131	2.34

1995-1998 Goods and Services Exports
(In million US\$ and in per cent)

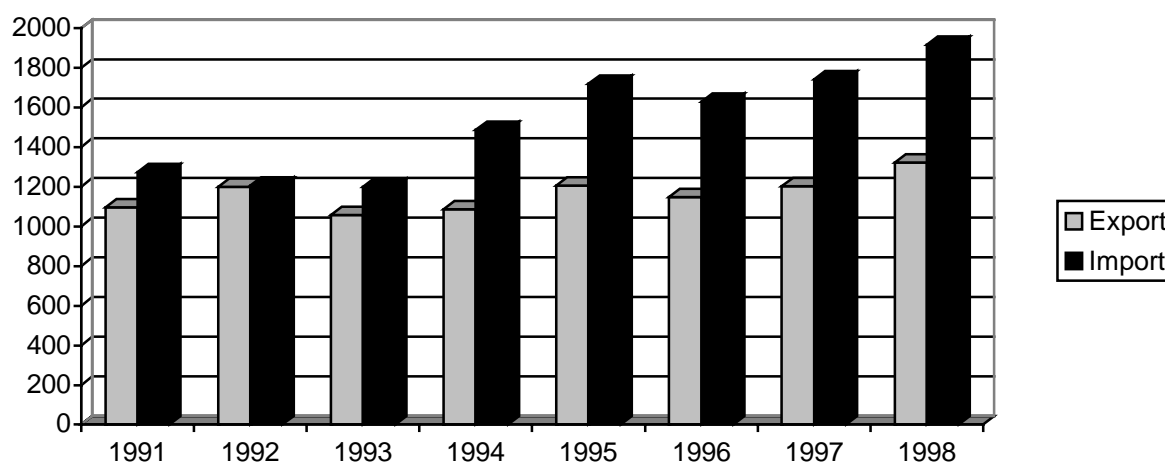
	1995		1996		1997		1998	
	Value	Growth rate	Value	Growth rate	Value	Growth rate	Value	Growth rate
Goods	1.719	15.8	1.627	-5.4	1.740	7.0	1.913	9.94
Services	385	17.7	309	-19.9	273	-11.7	303	11

In the period thus far, the Republic of Macedonia has concluded bilateral agreements on trade and economic cooperation with several countries world-wide: Austria, Albania, Bulgaria, Bosnia and Herzegovina, Poland, the Czech Republic, Turkey, Switzerland, the Russian Federation, China, Hungary, Romania, Ukraine, Slovenia, Croatia, FR Yugoslavia, what has created the conditions for raising the overall volume of the foreign trade exchange with these countries.

The implementation of the Cooperation Agreement with the European Union has had a great positive influence in this regard, which is of key importance for the economy of the Republic of Macedonia, as related to the support for a larger access to the Union's market, and thus for the increase of the volume of the mutual trade.

The activities in the field of trade should contribute towards the enlargement of the trade cooperation with other countries. Thus, it is expected that in the forthcoming period there will be greater dynamics of the foreign trade.

1991-1998 Goods and Services Export-Import Trends
(In million US\$)



III. FRAMEWORK FOR MAKING AND ENFORCING POLICIES AFFECTING FOREIGN TRADE IN GOODS AND SERVICES

1. Powers of Executive, Legislative and Judicial Branches of Government

The last parliamentary elections were held at the end of 1998.

The Government of the Republic of Macedonia consists of President of the Government, three Vice -Presidents and 21 ministers.

2. Government Entities Responsible for Making and Implementing Policies Affecting Foreign Trade

In December 1999, a change has been made in the organisational structure of the Government of the Republic of Macedonia, whereas a new Ministry of Trade has been established, as an administrative organ in charge of performing the economic relations with foreign countries. This task will be realized with cooperation of the Ministry of Foreign Affairs, Ministry of Finance, Ministry of Development, Ministry of Agriculture, Forestry and Water Supply and Ministry of Economy, etc. Also, the Ministry of trade in cooperation with other authorized ministries is liable for preparation of laws and by-laws in the realm of foreign trade.

The Ministry of Foreign Affairs has a great allotment in the procedure of creating a complete approach in establishing a policy, which will affect in regulation of foreign trade operations.

The Ministry of Economy, besides its other authorizations, is responsible for creating the measures of the economic policy for developing tourism and catering in the country.

The Ministry of Finance, as an administrative organ that is a consociate in the creation of the foreign trade policy, is also responsible for providing a cooperation with international financing institutions, establishing and using of the stock reserves and measures of intervention on the market, creation of credit, bank, foreign exchange and custom policy and regulation of credit relations with foreign creditors.

The Ministry of Agriculture, Forestry and Water supply is in charge of creation of the measures of foreign trade that have an affect on the export and import of agricultural goods.

4. Any Legislative Programmes or Plans to Change the Regulatory Regime

The Government of the Republic of Macedonia, according to the Working Programme for 1999, foresees to submit to the Assembly for adopting the following laws:

- Law on Trade
- Law Against Unfair Competition
- Law Against Limiting of the Competition
- Law on Foreign Exchange Operation
- Laws for Ratification of:
 - UN Convention for International Selling of Goods
 - UN Convention for the Terms of Expiration in International Selling of Goods from 1970 and the Protocol for Amending from 1980
 - UN Convention for International bills of exchange
 - Convention applicable on Rights on Representation
- Law on Small Businesses
- Law on Excises
- Law on Value Added Tax
- Law on Accounting
- Law on Consumer Protection
- Law on Pledges over Immovable Property and Rights
- Law on Cooperative Movement

5. Laws and Legal Acts

Positive Legislation

- Law on Trade (“Official Gazette” no. 23/95, 30/95 and 43/95)
- Customs Tariffs Law (“Official Gazette” no. 38/96, 45/97, 54/97, 61/97 and 26/98)
- Law on Customs (“Official Gazette” no.20/93 and 63/98)
- Customs Law (“Official Gazette” no. 21/98, 26/98 and 63/98)
- Copyrights Law (“Official Gazette” no. 47/96 and 3/98)
- Law on Market Inspection (“Official Gazette” no. 35/97)
- Law on Special Duties on Import of Agricultural and Food Products in the Foreign Trade (“Official Gazette” no. 2/94)
- Law on Quality Control of Agricultural and Feeding Products in the Foreign Trade (“Official Gazette” no. 5/98)
- Law on Foreign Trade (“Official Gazette” no. 31/93, 41/93, 78/93, 56/96, 15/97 and 13/98)
- Law on Foreign Exchange Operations (“Official Gazette” no. 31/93, 15/97)
- Law on Concession (“Official Gazette” no. 42/93)
- Law on Catering and Tourism (“Official Gazette” no. 23/95)
- Law on Temporary Residence (“Official Gazette” no. 19/96)
- Regulation for Temporary Import and Export of Goods (“Official Gazette” no. 20/94, 23/96, 53/96, 65/96 and 57/97)
- Regulation Foreign Persons Agent in Republic of Macedonia in the Field of Foreign Trade Payments (“Official Gazette” no. 78/93, 40/96 and 53/96)
- Regulation for Conditions for Opening Branch Offices of Foreign Entities in Republic of Macedonia (“Official Gazette” no. 25/95, 59/97 and 54/98)

- Decision-act for Dividing of the Goods in Forms of Import and Export (and list of goods) in the Field of Foreign Trade (“Official Gazette” no. 39/96, 64/96, 66/96, 67/96, 45/97, 54/97, 66/97, 20/98 and 26/98)
- Decision-act for Determining Special Taxes on Import of Certain Agriculture or Food Products (“Official Gazette” no. 66/97)
- Decision-act for Conditions for Reimbursement of Custom’s and other Import Duties for Goods Returned Abroad (“Official Gazette” no. 12/94)
- Bye-Law for the Minimal Technical Conditions for Performing Catering and Tourist Activities and Conditions for Categorization of the Tourist Facilities (“Official Gazette” no. 59/95, 19/96, 38/97 and 57/97)

IV. POLICIES AFFECTING TRADE IN GOODS

1. Import Regulations

(b) Characteristics of national tariff

The national tariffs are defined with the Customs Tariff Act (Official Gazette of the Republic of Macedonia No. 38/96 from 31 July 1996). The nomenclature of the Customs Tariff is fully compatible with the Convention on Harmonized System from 1996 of World Customs Union, and large computability with the EU Combined Nomenclature has been accomplished.

The system of multiple import charges was abandoned and all customs charges are unified into a single customs tariff paid on importation of goods. The new Customs Tariff Act has made a significant liberalization of foreign trade operations. Thus the weighted average customs tariff of 26.21 per cent has been reduced to 16.20 per cent. Generally, customs tariffs vary from zero per cent to 35 per cent. For certain agricultural products and foodstuff, the customs tariff goes up to 60 per cent. Furthermore, for agricultural products, the Customs Tariff Act foresees, in addition to *ad valorem* tariffs, specific tariff.

On the importation of goods a tax of one per cent is being charged and it represents a fee for customs evidential. On the exportation of goods, no customs duties or exporting fees are being charged.

The Republic of Macedonia applies the most favourable nation clause for all the countries in the world.

Customs preferences are applied on the basis of the free trade agreements. Free trade agreements are concluded with: Slovenia (preferences are applied only on industrial products and on small part on agricultural products and food), the Federal Republic of Yugoslavia (preferences are applied on agricultural products and industrial products) and Croatia (preferences are applied only on industrial products and only on small part on agricultural products and food). With Bosnia and Herzegovina the preferences are applied on all products.

(c) Tariff quotas, tariff exemptions

There is a system of tariff quotas for certain products (agricultural and foodstuff) under bilateral free trade agreements of the Republic of Macedonia with the Republic of Slovenia, the Republic of Croatia and the Republic of Yugoslavia. The list of products is given in Annex II.

(e) Quantitative import restrictions, including prohibitions, quotas and licensing systems

Quantitative import restrictions were cancelled as from 31 December 1996.

Under the Law on Foreign Trade Operations, certain goods may be imported or exported on the basis of "L" licence, in accordance with international agreements, regulation of import of arms and military equipment, import and export of industrial and artistic works and of certain precious metals.

The import on the basis of a licence is foreseen for military equipment, historic and artistic works, certain precious metals, narcotic drugs and alike.

To import certain agricultural products, foodstuff and other products, it is necessary to obtain approval, permission or certificate of the competent bodies and institutions.

(f) Import licensing procedures

Under the Law on Foreign Trade Operations, companies registered for doing export – import arrangements have the right to submit a request for achieving licence for importing certain goods. For receiving a licence the submitter of the request must provide the following data:

- firm, unique customs number, the full title of the user;
- ten-digit level tariff designation;
- stating of the name of goods according to the customs nomenclature;
- the trading name of the goods;
- quantity of the goods for which the request was submitted; stated in unit measure;
- firm and full name of the foreign exporter;
- time-table in which the importing will be conducted;
- statement for the purpose and use of the imported goods;
- other data, prescribed by special regulations.

(h) Customs valuation

The new Customs Law adopted by the Assembly of the Republic of Macedonia will enter into force from 1 January 2000. It is prepared according to the Customs Law of the European Union. With this, the regulations for determining the Customs Valuation will be in compliance with the ones used by the EU.

(j) Pre-shipment inspection

In the Republic of Macedonia, no pre-shipment inspection is applied, so far.

(l) Rules of origin

The Chamber of Commerce of the Republic of Macedonia is still in charge for issuance of the certificates of Macedonian origin of the goods – "Certificate of Origin".

The Chamber of Commerce of the Republic of Macedonia is issuing the certificates of Macedonian origin "Certificate FORM A" according to the General System of Preferences (GSP).

The origin of the goods is, also, checked according to the Protocols for Rules of Origin of the Goods stipulated in the Free Trade Agreements that the Republic of Macedonia has concluded. It should be underlined that changes have been made to this segment of the regulation, in sense that the certificates EUR 1 are certified by the customs authorities.

2. Export Regulation

- (c) Quantitative export restrictions, including prohibitions, quotas and licensing systems

Quantitative export restrictions were cancelled as from 31 December 1996.

Under the Law on Foreign Trade Operations, certain goods may be imported or exported on the basis of "L" licence, in accordance with international agreements, regulation of importation of arms and military equipment, export of industrial and artistic works and of certain precious metals.

In the Republic of Macedonia, licence is necessary for exportation of certain products such as commercial explosives, ammunition, arms, narcotic drugs, artistic works, and other products in conformity with international conventions.

For exportation of certain agricultural products and foodstuff, seed materials and other products, it is necessary to obtain approval or permission of the competent bodies. This results from the need to make up temporary shortage of food, the need to protect the environment and to facilitate development of strategic industries.

The request for licence must provide the following data:

- firm, unique customs number, the full title of the end user;
- ten-digit level tariff designation;
- stating name of the goods according to the customs nomenclature;
- the trading name of the goods'
- quantity of the goods for which the request was submitted; stated in unit measure;
- firm and full name of the foreign importer;
- time-table in which the importing will be conducted;
- other data, prescribed by special regulations.

3. Internal Policies Affecting Foreign Trade in Goods

- (c) Sanitary and phytosanitary measures

Besides the regulation given in the Memorandum it should be underlined that for import or export of seed materials, besides the phytosanitary-certificate and the additional certificate for seed potato, the certificate of quality i.e. "Orange" certificate – ISTA is included.

- (d) Trade-related investment measures

Article 31 of the Constitution stipulates that a foreign person in the Republic of Macedonia may acquire property rights under conditions set by law. Furthermore Article 59 of the Constitution guarantees a foreign investor the right to free transfer of the invested capital and profits and that the rights acquired on grounds of the invested capital may not be reduced by other law or regulation.

The Law on Trading Companies was adopted by the Assembly of the Republic of Macedonia on 30 May 1996 (Official Gazette of the Republic of Macedonia No. 28/96). Changes and additions were published in the Official Gazette of the Republic of Macedonia No. 7/97, 21/98, and 68/98. Under this Law, a trading company may be established by domestic and foreign natural and legal persons.

For the purpose of this Law, a foreign person is any legal person that has a company registered into company's register abroad or in the register in its country and any natural person that is foreign person.

A foreign person may establish the same types of companies as a national of the Republic of Macedonia: (i) general partnership; (ii) limited partnership; (iii) limited liability company; (iv) company limited by shares; and (v) limited partnership with shares. A foreign person may be individual trader.

The Law stipulates that any foreign natural and legal person may be a partner or shareholder, that is to say may establish a company or acquire shares in the manner and under conditions prescribed by law for the nationals of the Republic of Macedonia and for legal persons entered into the trade register for the territory of the Republic of Macedonia, unless otherwise provided by law.

A company with foreign participation has the same rights and obligations as a company without such participation, except for the cases prescribed by law. Article 27, paragraph 1 of the Law on Trading Companies foresees that the approval of the organ in charge of foreign economic relations shall be necessary for incorporation of a company fully owned by one or a number of foreign persons or a company in which they have majority participation, for transformation of a company into such one or for acquisition of majority participation by foreign persons in a company. If within 60 days as of the day when the application was filed the decision has not been received, it shall be considered that the approval was not given. If foreign participation does not reach the level determined in paragraph 1 of this Article, the approval of the competent organ shall not be necessary for incorporation of a new or acquisition of participation in the existing company. In this case the acquired participation in a newly-established company or in an existing company is registered in the register of foreign investments kept by the Ministry in charge of foreign economic relations.

Article 28 foresees that rights acquired on the basis of investment of capital in a company may not be reduced by law or another regulation. The Law also stipulates that part of the profits of the company to which a foreign person is entitled to, that is to say the amount of money a foreign person is entitled to in case of company's dissolution or in case of partial or complete disposal of a share of a foreign person, may be freely remitted abroad, on request of that foreign person, in currency of investment if a company has available funds.

The Law on Trading Companies provides for the possibility that a foreign person engages in trading activities in the Republic of Macedonia without establishing a company or without acquiring shares or parts in the existing company. Foreign trading companies and traders may not engage in business in the Republic of Macedonia until they establish a branch.

A foreign company or a foreign individual trader may establish a branch in the Republic of Macedonia provided that it was entered in the company's register of the state in which it has its seat at least two years before that. If a foreign company establishes a number of branches in the Republic of Macedonia, the application for entry into the trade register must indicate which branch is main. A foreign individual trader may establish only one branch. Approval of the Ministry responsible for foreign economic relations is necessary for opening of a branch of a foreign company. A foreign company or a foreign individual trader reports the establishment of its branch for entry into the trade register to the court competent for that according to the seat of the branch and to the company's form.

The branch acts on behalf and for the account of a foreign company or of an individual trader; in doing so the branch shall use the firm and seat of the company and name of the branch. A foreign company or individual trader shall have full liability in regard to the obligations that have arisen from the work of its branch.

The Law on Trading Companies provides for the possibility that a foreign company that has the right to engage in trading activities under the national legislation, may establish a representative office in the Republic of Macedonia. A representative office is not a legal person and may not pursue

trading activities. A representative office is registered in the Ministry responsible for foreign economic relations.

(f) Free zones

The Free Zone is a part of the customs area of the Republic of Macedonia on which special customs supervision measures and incentives of the customs procedure are applied.

In the Free Zone conducting of loading, unloading, transfer loading and storage of non-taxed goods that are to be imported, domestic taxed and non-taxed goods that are to be exported, or are in transit can be executed. The usual preparation of the goods for markets, meaning sorting, scaling, marking, packing, assembling, disassembling and making of the samples can be also done.

(g) Free economic zones

A Free Economic Zone is a part of the customs area of the Republic of Macedonia which is specially framed and marked as a zone in which economic activities are performed under special conditions.

In the Free Economic Zone goods can be produced, as well as import-export activities, banking and other financial works, can be performed as well as insurance and reinsurance of possession and persons and tourist services. Unused free capacities inside this zone, with previous approval of the customs organ, can be used for storage of domestic goods that are not going to be exported under condition to be specially evidenced and the placement of this goods not to affect the control of the working process of the Free Economic Zone.

(j) Government-mandated counter-trade and barter

Pursuant to the changes to the Law on Foreign Trade Operations, after the submission of the Memorandum, the Ministry of Economy is authorized for issuing approvals for Barter Trade.

(k) Trade agreements leading to country-specific quotas allocation

The Republic of Macedonia has concluded a number of trade agreements that set out specific quota allocation.

- Trade in textile products:
- Textile Agreement between the Republic of Macedonia and the EU. The Agreement stipulates restriction to export of textile products from the Republic of Macedonia to the EU, in per cent in the total imports of textile products to the Union of the preceding year, by categories of products which are as follows:
 - 1 per cent for categories of products under I group
 - 5 per cent for categories of products under II group
 - 10 per cent for categories of products under III group
- Bilateral Textile Agreement concluded between the Government of the Republic of Macedonia and the US Government. The Agreement specifies limits on the imports of textile and textile products made of cotton, wool, artificial fibre, mixture of silk and non-cotton natural fibres from the Republic of Macedonia into the USA, for certain categories listed in Annex B to the Agreement.
- Trade in other sectors

Cooperation Agreement between the Republic of Macedonia and the EU (Official Gazette of the Republic of Macedonia No. 37/97) the aim of which is to promote cooperation between the two

contracting parties and to contribute, in the sphere of trade, to improvement of conditions for access of Macedonian goods to the EU markets.

Annexes B,C,D, E and Annex I of the Agreement indicate goods to have preferential treatment and duty free treatment in the EU, or certain customs quotas, ceilings and referential quantities for agricultural and industrial products.

- Regional free trade agreements

The Free Trade Agreement between the Republic of Macedonia and the Republic of Croatia (Official Gazette of the Republic of Macedonia No. 28/97). Annexes 1 and 2 to Protocol 1 of the Agreement specify the list of customs quotas for exportation and importation of agricultural and food products.

Free Trade Agreement between the Republic of Macedonia and the Republic of Slovenia (Official Gazette of the Republic of Macedonia No. 48/96). Annex 1 to Protocol 1 and Annex 2 to Protocol 2 of the Agreement specify the list of customs quotas for agricultural and food products.

Trade Agreement between the Government of the Republic of Macedonia and the Federal Government of the Federal Republic of Yugoslavia (Official Gazette No. 59/96). On the basis of the Agreement, certain quantitative restrictions – quotas for export and import of agricultural and industrial products are specified.

(1) Government procurement practices

The Law on Public Procurements was adopted by the Assembly of the Republic of Macedonia on 4 June 1998.

This Law regulates the manner and procedure to be applied for public procurements by beneficiaries of funds from the Budget of the Republic of Macedonia, budgets of local self-government units, beneficiaries from State and municipal non-budgetary funds, as well as by agencies and other public institutions, organs and organisations set up by the State. This Law also regulates the manner and procedure for performance of public procurements by public enterprises and State-owned companies.

The provisions of the Law provide for full transparency and access to procurements, that is to say full information for the prospective bidders about the intention of the State or other agencies to make certain procurements. This is a basis for securing equality and identical status of all entities, that is of all domestic and foreign legal and natural persons in respect of their participation in procurement procedures, by filing their bids.

According to the Law, public procurements may be conducted provided that the necessary funds have been previously secured. On the basis of the determined sources of funds, a public authority may plan its procurement needs and determine the dynamics for their effectuation.

The procurement procedure is carried out by the procurement commission set up by a public authority, which is composed of a chairman and two members at least.

The procurement may be conducted by:

- public tendering procedure
- restricted tendering procedure
- obtaining tenders
- negotiating procedure.

Selection of the most advantageous bidder is performed, after the public authority ordering a procurement has examined economic and financial standing, as well as technical capabilities of the bidder and determined that it is in a position to effectuate the proposed offer. The bidder is obliged to attach to its offer an appropriate document proving its solvency issued by the payment operations authority; whereas foreign natural and legal persons file a solvency certificate issued by the competent authority or representation body.

Essential criteria for selection of the most advantageous bidder, depending on the kind of procurement, may be:

- either the lowest price solely; and
- or when tender is awarded to the most advantageous bid in terms of price, delivery period, payment mode, operational costs, efficiency, quality aesthetic and functional characteristics, technical qualities, post-sale services and technical assistance.

Public opening of tenders is attended by all members of the commission of the public authority ordering procurement and by representatives of bidders. Public opening of tenders begins at the place and time indicated in the public tender; the minutes of the opening is kept.

Procurement tenders are submitted to the public authority ordering procurement by mail, directly to its archives or to the commission on the spot, but no later than on the day and time set for public opening of tenders.

No later than seven days after completion of the tendering procedure, the public authority is obliged to inform in writing the bidder that its offer has been selected as most advantageous. All other tender participants are informed accordingly.

An unsatisfied bidder may file a complaint with the Procurement complaint commission within 8 days upon receipt of the notification of award.

The procurement complaint commission is composed of a chairman and 4 members and their alternates from the ranks of affirmed and renown experts (lawyers, notaries, commercial auditors, engineers etc.) appointed and dismissed by the Government of the Republic of Macedonia for the period of two years with the right to be re-elected for another two year term. The Commission is autonomous in its proceedings.

The contract is signed within 7 days upon expiration of the complaint period, that is to say upon final decision in respect of the complaint.

4. Policies Affecting Foreign Trade in Agricultural Products

(i) Farming

In 1998, compared to 1996/97, the planted areas were decreased by about 1.2 per cent for grain crops, 2.2 per cent for cattle-feed crops and 4.3 per cent for vegetable crops, whereas the areas planted with industrial plants noted an increase of about 8.4 per cent.

Planted areas according to the types of crops for the period from 1990 to 1997 (in ha.)

CROPS	1990	1991	1992	1993	1994	1995	1990-1995	1996	1997	97/98 %
Wheat	112.750	112.783	111.995	117.807	122.031	130.092	117.909	118.082	116.951	99
Barley	50.687	54.429	55.421	56.424	10.586	54.874	47.070	48.916	51.185	105
Corn	41.181	42.169	43.772	44.693	42.719	42.489	42.837	4.333	40.469	96
Rice	8.880	8.692	8.465	5.143	1.731	1.316	5.704	4.157	5.119	123
Sugar Beet	4.002	2.211	2.381	2.259	1.616	1.901	2.394	2.099	1.690	81
Tobacco	20.818	18.321	22.496	21.609	19.977	15.940	219.860	15.828	19.272	122
Sunflower	27.734	28.571	30.417	27.775	20.833	14.480	24.968	16.553	13.164	80
Tomato	7.607	7.993	7.456	7.207	6.971	7.315	7.424	7.796	7.016	90
Peppers	8.890	9.069	8.633	7.944	7.930	8.028	8.415	8.421	7.932	94
Melons	11.524	11.476	9.809	9.127	8.785	8.856	9.929	9.027	8.125	90
Alfalfa	19.706	18.901	19.375	19.740	19.738	19.608	19.919	19.916	19.438	98

(ii) Viticulture and Wine Production

As regards the grape production, in 1996 it totalled 214.513 tons; the processing of this quantity yielded 1.010.300 hectolitres of high-quality and protected generic type of wine. In 1997 the grape production is on the rise and totals 220.868 tons, the processing of which yielded 1.300.000 hectolitres of wine and in 1998 the grape production totals 243.567 tons; the processing of which yielded 1.227.100 hectolitres of wine. As far as the wine production is concerned, all quantities are of the protected generic type of wine, while 80 per cent of the wine is market surplus and is sold on foreign markets, mainly in Germany, United Kingdom, USA, Canada and on other markets.

(iii) Fruit growing

The movements in the fruit production by types of fruit is given below.

Production by Types of Fruit

TYPE OF FRUIT	1993	1994	1995	1996	1997	1998
Strawberries	2.933	2.249	3.332	3.149	5.503	5.203
Sweet cherries	3.240	3.499	3.343	3.426	2.852	3.535
Sour cherries	6.840	6.057	5.300	4.583	3.067	5.109
Apricots	5.715	5.066	6.061	4.296	1.305	2.349
Apples	71.676	70.060	69.950	65.399	76.602	61.675
Pears	14.116	11.632	9.118	12.730	8.226	9.263
Quince	1.091	780	672	825	932	964
Plums	21.200	25.230	17.221	30.878	17.633	19.760
Peaches	5.293	5.405	4.333	7.343	3.545	6.823
Walnuts	2.969	3.008	2.838	3.829	3.532	2979
Other fruits	4.790	5.003	4.200	4.810	2.540	4.920
TOTAL:	140.003	137.989	126.268	136.398	123.197	122.580

(iv) Livestock breeding

No significant changes can be noticed in the numbers of the livestock, according to the statistical data for the period 1992-1997. (see table below).

Livestock Numbers

	Cattle	Sheep	Pigs	Horses	Poultry	Bee colonies
1992	284.919	2.351.408	173.006	64.576	4.297.350	71.600
1993	280.324	2.458.648	184.920	61.748	4.392.721	77.951
1994	281.336	2.466.099	171.571	61.797	4.685.021	73.980
1995	283.237	2.319.905	175.063	61.733	4.879.873	72.171
1996	294.613	1.813.895	192.396	66.479	3.360.801	62.578
1997	289.428	1.631.034	184.293	65.896	3.274.570	74.415

*There is no statistic data for the performed livestock production in 1998

The decrease in the number of sheep in 1997, in comparison to the 1995-96 period, is mainly caused by the EC embargo on importation of livestock from 1993 due to occurrence of foot and mouth disease.

(a) Imports

The adoption of the Customs Tariff Act (Official Gazette of the Republic of Macedonia No. 38/96) and a Decision on Distribution of Goods into Forms of Exportation and Importation (Official Gazette of the Republic of Macedonia No. 30/96,64/96 and 67/96) provided for larger liberalization of foreign trade operations. Namely, quantitative export and import restrictions were abolished; all agricultural and food products are on LB regime, except for certain deficit and sensitive products for which the applicable regime is based on approvals – import or export approvals. Customs duty (ad valorem) and specific import duties play a central role as protection measures.

(c) Export prohibitions and restrictions

With the adoption of the Customs Tariff Act, as well as of the Decision on distribution of goods into forms of exportation and importation, quantitative exports restriction were abolished, except for a small number of deficit products subject to LB1 regime, what implies that depending on the balance situation in the country, the competent sector of the administration issues export approval. Basically, the export of agricultural food products is not restricted.

- Measures of the Programme for encouragement of the Agriculture Development

Funds of the Programme for Agricultural Development Stimulation

	1993	1994	1995	1996	1997	1998
Artificial meadows and esparcet seeds production	2.100.000 700 ha. Artificial meadows 400 ha. Esparcet	7.651.563 600 ha. Artificial meadows 400 ha. Esparcet	10.832.301 1199 ha. Artificial meadows 725 ha. Esparcet	18.000.000 . (i) 000 ha. Artificial meadows 500 ha. Esparcet	21.696.117 1100 ha. Artificial meadows 840 ha. esparcet	/
Livestock, fishery and bee keeping development incentives	5.597.667	33.422.912	26.699.792	56.000.000	36.037.878	70.000.000
Co-financing of damp construction for small accumulation lakes and small hydro-reclamation systems for agricultural development	10.876.271	22.962.040	7.132.291	45.500.000	44.996.400	60.000.000

	1993	1994	1995	1996	1997	1998
Promotion of individual farmers' production ¹	4.000.000	7.844.680	7.132.291	280.500.000	109.563.7932	55.062.000
-Farming					.	7.240.000
-Gardening	150.000	1.375.300	1.590.000	2.200.000	2.200.000	4.200.000
-Fruit raising	150.000	1.375.200	1.590.000	2.650.000	/	8.810.000
-Grape Growing	86.000	750.000	1.280.000	1.770.000	650.205	9.000.000
-General measure (agricultural education and propaganda)	625.000	770.000	175.000	5.250.000	10.748.450	23.820.000
	2.989.000	3.574.180	2.497.291	268.630.000 ²	95.965.138	
Fund for protection and utilization of arable land	2.100.000 for clearing 500 ha.	2.667.600 for clearing 497 ha.	2.400.000 for clearing 320 ha.	10.000.000	106.950.578 ³	

1. 1997 is considered a year of agricultural development
2. 1996 includes funds for insufficiently projected purposes and for the measures commenced the previous year.
3. It relates only to measures initiated in 1996 and to insufficiently projected purposes.

For the purpose of intensifying the development of livestock raising, the Programme foresees measures for accelerated breed improvement, which at the same time means increased milk and meat production; improvement of sheep breeds; establishment of centres for swine and goat breeding; increase in the number of healthy bee colonies; as well as and increasing the number of fishes by artificial means in certain areas and fish ponds for production of quality fish progeny.

V. TRADE-RELATED INTELLECTUAL PROPERTY PROTECTION REGIME

1. General

In the period after the submission of the Memorandum, the Republic of Macedonia accepted the following international conventions and treaties in the field of the intellectual property:

- Universal Copyright Convention (on succession basis)
- Convention Relating to Distribution of Program-Carrying Signals Transmitted by Satellite (on succession basis)
- Convention for Protection of Phonographic Producers from Illegal Recording & Reproduction of the Phonograms; ("Official Gazette of the RM No.47/97")
- International Convention for Protection of Performers, Producers of Phonograms and Broadcasting Organizations - Rome Convention (Official Gazette No. 50/97) with a reservation on non-application of criteria for publishing contained in Article 5, Paragraph 1, subparagraph 1(b), in conformity with Article 5 Paragraph 3 of the Convention and on non-application of provisions of Article 12, in conformity with Article 16, Paragraph 1 (a) (i) of the Convention.
- Hague Agreement Concerning International Deposit of Industrial Design;
- Patent Cooperation Treaty (PCT), and
- Treaty for Collaboration with the European Patent Organization

The Republic of Macedonia accepts standards of the World Intellectual Property Organization, e.g. WIPO standard ST.3, where all member countries of WIPO use code MK. Also, in all other documents where codes are used, for the Republic of Macedonia is used the code MK.

In the meantime, the Government of the Republic of Macedonia passed the Decision on accession of the Republic of Macedonia to the Permanent Committee for Information referring to the Industrial property of the World Intellectual Property Organization (Official Gazette of the Republic of Macedonia No. 17/94), Decision on accession of the Republic of Macedonia to the Permanent

Committee for Development of Collaboration in the Industrial Property of the World Intellectual Property Organization (Official Gazette of the Republic of Macedonia No. 15/96). In October 1997 the Republic of Macedonia was elected to the Executive Committee of the Paris Union for Protection of the Industrial Property. This represents recognition for achieved results and obligation for further activities in the industrial property protection rights and copyrights.

(a) Intellectual property policy

After the submission of the Memorandum, two laws have been enacted with major significance to the protection of the intellectual property.

On September 12, 1996 the Law on Copyright and Related Rights was enacted – LCRR (Official Gazette 47/96, 3/98) which entered into force on September 20, 1996. This Law regulates rights of authors of literary and artistic deeds over their works, rights of artists - performers, producers of phonograms and video-grams, film and performance producers, radio and television (broadcasting) organisations, and the publishers' rights over their published phonograms, video-grams, scene arts, radio diffusion programmes and publications. The provisions of this Law are explained in the Memorandum.

The Parliament of the Republic of Macedonia enacted the Law on the Protection of Topography of Integrated Circuits (Official Gazette No. 5/98) on 22 January 1998.

(b) Responsible agencies for policy formulation and implementation

- For copyright and related rights

The LCRR provides inspection and supervision of the implementation of the Law by a State organ (Ministry of Culture), that is to say of the operations of natural and legal persons that trade with originals or copies of copyrighted works or related rights. In November 1996, a Copyright and Related Rights Inspection Office was established within the Ministry of Culture. It supervises realization of these rights.

When an authorized person – inspector, while performing his inspection reasonably suspects that an infringement was made, with a decision he/she temporarily takes away the materials which were used, or were to be used, for attempting the infringement, or were made as a product of the infringement, and in the same time with a proposal for starting an infringement procedure hands them over to the authorized organ for infringement procedure.

There are no changes in the sphere of the Industrial Property Protection related to the authorities of the Industrial Property Protection Office.

(c) Membership of international intellectual property conventions and of regional or bilateral agreements

Since 16 July 1996 the Republic of Macedonia has ratified:

- Universal Copyright Convention (on succession basis)
- Convention Relating to Distribution of Program-Carrying Signals Transmitted by Satellite (on succession basis)
- Convention for Protection of Phonographic Producers from Illegal Recording & Reproduction of the Phonograms; (“Official Gazette of the RM No.47/97”)
- International Convention for Protection of Performers, Producers of Phonograms and Broadcasting Organizations - Rome Convention (Official Gazette No. 50/97) with a reservation on non-application of criteria for publishing contained in Article 5,

Paragraph 1, subparagraph 1(b), in conformity with Article 5 Paragraph 3 of the Convention and on non-application of provisions of Article 12, in conformity with Article 16, Paragraph 1 (a) (i) of the Convention.

- Hague Agreement Concerning International Deposit of Industrial Design;
- Patent Cooperation Treaty (PCT), and
- Treaty for Collaboration with the European Patent Organization

Also the reservation for applying the Article 8 from the Bern Convention was cancelled.

The Republic of Macedonia has neither concluded regional agreements regulating the regime of copyright and related rights, nor is a member of this type of regional organisations. As regard bilateral agreements in the sphere of cultural cooperation, the basis is laid for such cooperation with a number of states, that is to say the reciprocal protection of copyright and related rights has been provided for (Poland, the Russian Federation, Switzerland and others).

(d) Application of national and MFN treatment to foreign nationals

Besides the already mentioned protection of the copyright and related rights explained in the Memorandum, we can also underline that protection is enjoyed by foreign authors and holders of related rights whose works, performance or objects of related rights are disclosed via satellite in the Republic of Macedonia, if program signals, in a non-interrupted line, lead to the satellite and back to the land in the Republic of Macedonia and are under control of the authorized radio and television. Irrespective of the above presented condition, the protection is exercised if there is a receiving-dispatching station in Macedonia that transmits program signals or if there is radio or television station that ordered broadcasting via satellite and has a seat in Macedonia.

Authors or holders of related rights that have no citizenship or whose citizenship cannot be determined - stateless persons enjoy the same rights as nationals of the Republic of Macedonia, if they have residence or obligatory residence in the Republic of Macedonia. If they do not fulfil the preceding criteria, they enjoy the same protection as nationals of states where stateless persons have residence or obligatory residence. Authors or holders of related rights that have a refugee status under international agreements or regulations of the Republic of Macedonia have the same rights, provided that they meet the conditions prescribed for stateless persons.

For foreign holders of related rights that enjoy rights under the LCRR, the duration of protection period is set by this Law, whereas the protection periods may not last longer than after the day of expiration of protection period in the state they are nationals of or where they have a seat. However, protection period shall not exceed periods prescribed by this Law.

2. Substantive Standards of Protection

(a) Copyright and related rights

Besides the already explained protection in the Memorandum we can stress that by the LCRR the rights of a stage producer last 20 years from the day of the first public performance of the stage work.

A legal or natural person that lawfully publishes a copyrighted work in the written form (publisher) has exclusive material rights in his/her publication, and to allow or forbid his/her publication to be reproduced by another legal or natural person, in his/her name by way of xeroxing, copying or any other way of multiplication. In the case of allowed reproduction, the reproduction has to be named by the name, pseudonym or the mark of the publisher of the used publishing. Protection period for reproduced publications is 25 years following a lawful publication of the work.

A publisher that issues unpublished work with expired copyright enjoys material and other copyrights, whereas the protection period lasts 25 years from the day of the first publication.

A publisher that issues an already published critics or scientific work on which the copyright has expired, and that is essentially different from the other known published issues of the work, enjoys material copyright and other rights, whereas the protection lasts 25 years from the day of the first legal issue of the work.

(g) Layout designs of integrated circuits

In the Republic of Macedonia the protection of topography of integrated circuits is regulated by the Law on the Protection of Topography of Integrated Circuits.

A topography shall be protected if it is original.

A topography is considered to be original if it is a result of its creator's own intellectual effort and was not in use in the semiconductor industry when it was created.

Where topography consists of elements that are commonplace in the respective industry, only the combination of these elements shall be protected, provided that it fulfils the conditions relating to originality.

The holder of the protected topography shall be granted exclusive rights of commercial exploitation, including the right to authorize or prohibit any of the following:

- reproduction of the topography by any means or in any form;
- importation, sale or other form of distribution of the topography or integrated circuit incorporating the respective topography or products that include integrated circuit incorporating the respective topography.

The exclusive right mentioned above should not extend as to include any concept, process, system or technique on which the topography is based, other than the topography itself.

The mentioned right cannot be exercised from the moment the protected topography or integrated circuits are put in use on the market by the right holder or with his approval.

Topography is considered as protected when it is entered into the Register of topographies. The exclusive rights shall come into effect for the holder of protected topography on:

- the date of filling of application in accordance with Article 12; or
- the date when the respective topography was first commercially exploited anywhere in the world.

If the topography has not been commercially exploited, the exclusive right shall expire 15 years after its fixation or decoding.

During the protection period, the right holder is entitled to mark the respective integrated circuit with a capital "T".

The procedure for registration of the right for protection shall commence with an application containing a request for recognition of right and entry into the appropriate register (hereinafter: application).

The application must contain the data about the name of the applicant and the creator; description of topography accompanied by the data on sequences; an abstract comprising the

characteristics of the electronic function or functions of an integrated circuit, manufactured on the basis of the protected topography; if the topography has already been commercially exploited, a statement in writing relating to the date when the respective topography was first commercially exploited.

A separate application shall be filed for each topography.

The Industrial Property Protection Office shall examine whether the application fulfils the conditions relating to the entry into the registry of topographies as specified in Article 12 of the Law.

The request shall be rejected if the application does not fulfil the said conditions.

If the application partially fulfils the conditions specified in Article 12 of the Law, the Office shall invite the applicant to correct the application within the time limit of two months. If the applicant fails to act accordingly within the foreseen period, the application shall be rejected by a decision.

If the application fulfils all the conditions of Article 12 of the Law, the right shall be recognized by a decision and the Office shall enter it into the Registry of Topographies.

The entry into the Registry shall be published in the Official Gazette of the Office.

The provisions relating to representation of foreigners, non-availability of unpublished applications, receipt of application, entry of data and changes in the registry, invalidation of rights, time limits for infringement action, transfer of rights, licence, representation as stipulated in the Law on Industrial Property (Official Gazette of the Republic of Macedonia No. 42/93) shall apply to topographies of integrated circuits.

(h) Requirements on undisclosed information, including trade secrets and test data

The Republic of Macedonia does not have a special law for the protection of undisclosed information, including trade secrets and test data. Protection of undisclosed information, including trade secrets, is regulated by the provisions of the Law on Trading Companies and Law on Trading (Article 31-37), more precisely by the provisions for unfair competition. The part concerning the know-how is regulated by the Law on Foreign Trade Operations and is still in force.

Article 281 of the Criminal Code of the Republic of Macedonia foresees a criminal offence "disclosure and unauthorized acquisition of business secret". This means that the person who will impart, hand over or in some other manner make available data specified as business secret by law to unauthorized person, as well as the person who acquires this type of data with the intention to transmit them to unauthorized person, will be punished with one to five year imprisonment.

The person who will impart, hand over or in some other manner make available the data specified as business secret in a regulation or a decision of the competent management body to unauthorized person, if the disclosure of these data caused or may have caused serious harmful consequences, as well as the person who acquires this type of data with the purpose to disclose them to unauthorized person, will be punished with three months to three year imprisonment.

If the data are of special importance or if the disclosure or acquisition is done for the purpose of delivering them abroad or if the perpetrator was bribed, such a person will be punished with one to ten year imprisonment.

4. Enforcement

Copyright and related rights

After the inaction of the LCRR - when an authorized person – inspector, while performing his inspection reasonably suspects that an infringement was made, with decision he/she temporarily takes away the materials which were used, or were to be used, for attempting the violation, or were made as a product of the violation, and in the same time with a proposition for starting an infringement procedure hands them over to the authorized organ for infringement procedure.

(a) Civil judicial procedures and remedies

Unauthorized use, handling and imitation constitute infringement of intellectual property rights. The following is considered infringement of copyright and related rights: unauthorized use, such as production, importation, possession for commercial purposes, distribution, rental or any other use of any devices:

- whose only and predominant purpose is unauthorized elimination or damage of technical equipment or computer program used for lawful protection against unauthorized use; and
- which enable or help , with no authorization, reception by the public of coded radio and television programme signals.

With the claim the holder of an infringed right may require: the defendant to be prohibited to undertake activities aimed at violation, the violation itself or future violations; the defendant to repair the situation that occurred through such a violation; unlawful copies and wrapping or performance and other protected things to be destroyed or processed; matrices, negatives, records, moulds by which the violation was performed to be destroyed or processed; equipment (possessed by the defendant) solely or predominantly intended for infringement of rights guaranteed under the LCRR to be destroyed or processed; and publication of the court decision in the mass media at the expense of the defendant in the scope and manner to be determined by the court.

It should be added that the LCRR established the so-called civil punishment for actions, done intentionally or through complete negligence, which infringe material or other copyright and related rights. In this case, the right holder may request, in civil proceedings, to be paid the agreed or customary compensation for that kind of use increased by 200 per cent, irrespective of whether the right holder suffered material damage thanks to the infringement in question.

The LCRR foresees that the court may provide evidence (search, that is to say inspection of premises; documentation, inventory, data bases, computer programs and alike; examination and seizure of documents, witness hearing, findings and statements of experts) without prior notification and information of the other party, if the right holder reports that his/her exclusive right provided for under this law is violated and that there is reasonable doubt that the evidence may be destroyed or may not be provided at a later stage. The procedure for securing evidence is urgent and the provisions of the trial procedure are applied.

In case of infringement of moral rights without material damage, the court may rule that the author or performer be paid just indemnity in funds for the damage done to his personality, honour and reputation, or for non-material damage, if determined that the circumstances of the case, particularly the degree of the damage and its duration so justify.

(b) Provisional measures

The provisional measures are introduced according the Articles 263-276

The LCRR also provides a court decision by which a provisional measure is introduced. Besides the measures stated in the Memorandum, it should be underlined that under the LCRR, the court may order provisional measures to secure not-monetary claims in particular: copies, devices, equipment and documents linked with them to be forfeited, withdrawn from sale and preserved; actions of eventual infringements or their continuation to be prohibited; other similar measures to be undertaken.

On the procedure for bringing up a provisional measures, the executive procedure is applied.

If, on the other hand, the right holder reports that his exclusive right, guaranteed by the LCRR, has been infringed and that there is a reasonable doubt that the evidence will be destroyed or may not be provided at a later stage, the court may, on his proposal, provide such evidence without prior notification and hearing of the other party. Securing of evidence includes: search or inspection of premises; documentation, inventory, databases, computer programs and alike; examination and seizure of documents, witness hearing, findings and statements of experts. When the evidence is being secured, the other party is handed over the decision by which the proposal for securing of evidence was accepted, along with the proposal. A complaint against the decision does not postpone its implementation.

The procedure for securing of evidence is urgent.

(d) Any special border measures

Besides the measures indicated in the Memorandum we can underline that the customs authorities, on the proposal of the right holder with a detailed description of the goods, with the needed evidence of his exclusive rights and their possible infringement, can take the following customs measures: The right holder or his representative can check out the reported goods, and the same to be forfeited, withdrawn from sale and stored in a safe place. On proposal of the customs authorities, the right holder must deposit caution for the possible damage which can be caused with these measures. Also the customs authorities are responsible for immediately informing the importer and the end user of the goods. These measures are cancelled in the period of ten days, if the holder of the right does not file a lawsuit or does not start another procedure for implementation of other measures.

(e) Criminal procedures

In the meantime the Criminal law was replaced with the Criminal Code so the criminal procedures are done according to the Article 285 and Article 286 of this Code.

5. Laws, Decrees, Regulations and Other Legal Acts Relating to the Above

Since the submission of the Memorandum for approach to the WTO the following Regulations and Laws were enacted:

- Law on Copyright and Related Rights (Official Gazette 19/78, 24/86, 21/90);
- Law on the Protection of Topography of Integrated Circuits (Official Gazette No. 5/98);
- Law for Ratification of the Hague Agreement Concerning International Deposit of Industrial Designs (Official Gazette No. 71/96)

- Law for Ratification of the Agreement for Collaboration between the Government of the Republic of Macedonia and European Patent Organization (Official Gazette No. 49/97);
- Law for Ratification of the European Convention relating to the Formalities Required for Patent Applications (Official Gazette No. 28/97);
- Law for Ratification of the Convention on Unification of Certain Points of Substantive Law on Patents for Inventions (Official Gazette No. 34/97);
- Law for Ratification of the Convention for Protection of Phonographic Producers from Illegal Recording of the Phonograms (Official Gazette No. 47/97);
- Law for Ratification of the International Convention for Protection of the Artists – Exhibitors, Phonographic Producers and Broadcasting Organizations (Official Gazette No. 50/97);
- Law on Culture (Official Gazette No. 31/98);
- Law on Use of the Macedonian Language (Official Gazette No. 5/98);
- The Law on Administrative Fees (and Tariffs) (Official Gazette No. 17/93, 20/96, 7/98);
- Regulations Governing the Procedure for Recognition of Patent (Official Gazette 15/94, 46/97);
- Regulations Governing the Procedure for Recognition of Industrial Design Rights (Official Gazette 15/94, 16/97);
- Regulations Governing the Representatives Registry Book and the Contents of the Professional Exam for Representatives in the Procedure of Protection of Industrial Property (Official Gazette 15/94, 16/97);
- Regulations Governing the Procedure for Recognition of Origin of Goods and the Procedure for Recognition of the Right for Using the Origin of Goods (Official Gazette No. 24/98);
- Regulations Governing Compensation for Public Performance and Presentation of Music Works in the Public (and Tariffs) (Official Gazette 61/92, 3/93, 35/93, 60/93, 17/94);
- Regulations for Appearance of the Official Card of the Copyright and Related Rights Inspector and the Way of Issuing (Official Gazette No. 21/98);
- Regulations for Appearance of the Official Card of the Inspector in the Culture Area and the Way of Issuing (Official Gazette No. 6/99);
- Decision on the Authority that Issues Approvals for Using the National Coat of Arms, Flag or Emblem, Title or Short Title of the name Republic of Macedonia or their Imitations in Industrial Designs and Trademarks (Official Gazette No. 35/95)
- Decision act for Ratification of the World Convention on Copyrights (Official Gazette of SFRY – International Agreements no. 54/73), implemented in the legal system of Republic of Macedonia by succession;
- Decision act for Ratification of the Convention on Signal Distribution for Program Transmission via satellite (Official Gazette of SFRY – no. 13/77), implemented in the legal system of Republic of Macedonia by succession.

6. Statistical Data on Applications for and Grants of Intellectual Property Rights, as Well as Any Statistical Data on Their Enforcement

The number of patent applications, domestic and foreign, filed with the Industrial Property Protection Office of the Republic of Macedonia for the period 1992-1998 is constantly increasing. (see tables below)

(i) Patents

Patent Applications by Year

Year	Foreign	Domestic	TOTAL
1992	-	14	14
1993	70	66	136
1994	304	74	387
1995	76	100	176
1996	13	52	65
1997	65	66	131
1998	59	84	143

Recognized Patents by Year

Year	Local	Foreign	TOTAL
1994	8	86	94
1995	33	130	163
1996	19	76	95
1997	31	48	79
1998	38	42	143
TOTAL	129	382	511

As a party to the PCT, the Republic of Macedonia has 9.878 designations in 1996, in 1997 the Republic has 21.096, and in 1998, 29590 designations.

(ii) Trademarks

The number of trademark applications, domestic and foreign, filed with the Industrial Property Protection Office of the Republic of Macedonia for the period 1992-1998 is constantly increasing. (see tables below)

Trademark Applications by Year

Year	Foreign	Domestic	Total
1992	20	1	21
1993	562	1.225	1.787
1994	3.379	360	3.739
1995	1.528	332	1.860
1996	718	280	998
1997	740	157	897
1998	687	200	887

Recognized Trademarks by Year

Year	Local	Foreign	Total
1993	6	-	6
1994	80	175	255
1995	491	842	1.333
1996	138	2.948	3.086
1997	258	866	1.124
1998	109	448	557

International Registered Trademarks for the Territory of the Republic of Macedonia

1993	9.580
1994	17.125
1995	2.618
1996	1.975
1997	2.860
1998	3924
TOTAL	38.082

(iii) Industrial Designs

The data on the industrial design applications show significant increase for both domestic and foreign applications.(see tables below)

Industrial Design Applications by Year

Year	Foreign	Domestic	Total
1992	-	4	4
1993	4	17	21
1994	21	37	58
1995	8	41	49
1996	10	26	36
1997	9	20	29
1998	7	35	42

Recognized Industrial Designs by Year

Year	Local	Foreign	Total
1994	5	-	5
1995	13	13	26
1996	17	30	47
1997	56	30	86
1998	26	10	36

There are 252 applications and registrations of industrial designs through the Hague Agreement for International Deposit of Industrial Designs, and 421 industrial designs for 1998 for the territory of the Republic of Macedonia.

No appellation of origin of goods or protection of topography of integrated circuits was established in the Republic of Macedonia.

VI. TRADE RELATED SERVICES REGIME

1. General

1. Banking

The banking sector is regulated by the Law on Banks and Savings Institutions (Official Gazette of the Republic of Macedonia No. 31/93, 78/93, 17/96 and 37/98).

Under the provisions of this Law, banks and savings institutions are defined as legal entities that operate independently with the purpose of making profit.

Banks are established as companies limited by shares. Their founders may be domestic and foreign legal and natural persons. Alongside banks, foreign banks may establish their branches and representative offices.

The minimum nominal capital necessary for establishing a bank or a foreign bank branch is 7.000.000 DM in local currency (Denars). If the bank is to perform external payment operations, crediting and guarantees, then the minimum nominal capital necessary for its establishment is 21.000.000 DM.

There are no restrictions imposed in regard to the participation of foreign investment in the total amount of the bank's minimum nominal capital. In establishing a bank, each individual founder's share may be up to 20 per cent of the bank's minimum nominal capital in cash money. If a foreign bank appears as a founder, the share of the individual founder may not exceed 65 per cent of the founding nominal capital.

The National Bank issues a licence for establishment and for operation of the bank and of the foreign bank branch. The National Bank is also authorized to control their operations. At present, there are 21 commercial banks in the Republic of Macedonia, of which 13 with participation of foreign capital. Also, there are two foreign bank branches.

Savings institutions may be established by legal persons that have registered head offices in the Republic of Macedonia and natural persons-nationals of the Republic of Macedonia. The minimum nominal capital necessary for establishing a savings institution is 500.000 DM.

The National Bank issues licenses for the establishment and operation of a savings institution.

Savings institutions collect savings deposits from natural persons and extend credits to them. The surplus funds may be used for purchase of short-term securities and for crediting banks, savings institutions and legal entities, with a bank guarantee.

There are 18 savings institutions in the Republic of Macedonia.

A special type of savings institution is the postal savings institution established by the PTT Company, with a minimum nominal capital of 1.000.000 DM.

The minimum nominal capital necessary for establishing a foreign bank branch is 7,000,000 DM. The branch has the status of a legal entity, but is not authorized to perform external payment operations. The bank performs external payment operations through a bank, authorized to perform external payment operations, except with regard to payments made to the parent bank or with regard to receiving foreign currency remittances from the parent bank on the basis of capital relations, which activities are performed directly.

A representative office of a foreign bank does not have the status of a legal entity and therefore cannot perform banking operations. The representative office may perform activities with regard to representation, giving information and promotion of the foreign bank. An approval of the National Bank is necessary for establishment of a representative office of a foreign bank.

2. Insurance

The insurance is regulated by the Law on Insurance of Property and Persons (Official Gazette No. 49/97).

Insurance companies are established as companies limited by shares, whereas exceptionally the Government of the Republic of Macedonia may establish public insurance companies for insurance against risks that constitute general threat to the property of common interest, for insurance against non-material risks and for obligatory insurance.

The licence for establishment of insurance companies is issued by the Ministry of Finance, on the basis of legally required documentation. The cofounders may be domestic and foreign legal and natural persons. Foreign natural and legal persons may acquire at most 25 per cent of shares bearing the right to vote.

For each type of insurance activity a different amount of minimum nominal capital necessary for the establishment of the company has been proscribed:

- 3,000,000 DM for performance of life assurance;
- 5,000,000 DM for performance of
 - insurance of citizens, industry and against general liability
 - automobile insurance and automobile liability insurance
 - cargo transport insurance, transport insurance and transport liability insurance
 - insurance of credits
 - insurance of savings deposits
 - insurance of values of common interest for the Republic of Macedonia and of State property
 - insurance against non-material risks
 - insurance against the risk of earthquake
 - insurance against accidents and diseases;
- 1,000,000 DM for performance of:
 - insurance of crops and yields
 - insurance of domestic and other animals
 - insurance of legal protection
 - insurance of performances against atmospheric falls;
- 5,000,000 DM for performance of reinsurance;
- 100,000 DM for performance of other insurance activities.

These censuses are proscribed by the new Law on Insurance adopted in 1997 and insurance companies are to comply with new censuses within two years (until 30 September 1999).

There are seven insurance companies established so far in the Republic of Macedonia, two of which perform property insurance and reinsurance and life assurance and reinsurance, one performs property insurance and life assurance; one performs property insurance; one performs life assurance and two companies perform brokerage in insurance activities. All these companies have been established under the old Law on Insurance of Persons and Property passed in 1993 and are undergoing adjustment according to the new Law. Only one of the existing companies still has social capital and is currently in the process of privatization.

A foreign insurance company may establish its representative office, while a licence of the Ministry of Finance is necessary. The representative office cannot perform insurance on the territory of the Republic of Macedonia.

The Law on Insurance does not contain prohibitions with regard to the possibility that nationals of the Republic of Macedonia are insured at foreign insurance companies. However, such insurance does not have any legal effect in the Republic of Macedonia.

4. Telecommunications

The manner and conditions for performance of activities in the sphere of telecommunications, construction, maintenance and use of telecommunication networks and instruments, relations between providers and users of telecommunication services, competition in the sphere of telecommunication, provision of universal services, granting of concessions and performance of telecommunication services by way of concessions, management, use and control of radio frequencies, production, imports, sale, use and maintenance of radio stations, terminal equipment and other issues linked with telecommunications are regulated by the Law on Telecommunications adopted in 1996, which was amended and supplemented in April 1998.

The need for alteration in the existing legislation in the sphere of telecommunications was imposed by the privatization process on the global level.

The new legal regime provides conditions for non-discriminatory, transparent and objective process of privatization in the telecommunication sector. It also provides justly treatment of potential strategic investors, and their investments in the Macedonian telecommunications to be protected.

Basic Data on the Telephone Subscribers and the Telecommunications Services of the Shareholding Company "Macedonian Telecommunications"

	1995	1996	1997	1998
Telephone subscribers	350.000	367.000	408.000	439.000
Telephone density	17.5%	18.3%	20.4%	22%
Total number of telephone impulses in the domestic and international traffic	4.6 billion telephone impulses	4.7 billion telephone impulses	5.3 billion telephone impulses	6,051 billion telephone impulses

Postal sector

Postal domestic and international services in the Republic of Macedonia are provided by a public enterprise for postal services "Macedonian Post Office".

A new law on postal services is being drafted.

The Republic of Macedonia is a member of the Universal Postal Union (UPU), Conference of European Posts and Telecommunications (CEPT).

Radio Communications

The organ in charge of the legislation in the area of radio-communications is the Ministry for Transport and Communications. This area is regulated with the Law on Telecommunications (Official Gazette No.20/98), the Law on Radio-broadcasting (Official Gazette No.20/98) and other bye-laws. On the 4th of May 1993, the Republic of Macedonia became a full-fledged member of the International Telecommunication Union (ITU).

In the radio-communications, there is a strict respect of the international regulations. They mainly proscribe that the work of the radio-stations is regulated with special licenses and that a permanent monitoring of the radio-frequencies has to be carried out. The Republic of Macedonia is committed to the Decisions and Recommendations of the Conference of the European Posts and Telecommunications (CEPT) and is applying the standards of the European Telecommunication Standardization Institute (ETSI). The granting of the radio-frequencies is made on the basis of the National Plan for the width of the Radio-frequencies, in accordance with the international regulations.

The width of the radio-frequencies is limited by its nature and because of the spreading of the radio-waves is subject to international agreements on equal basis for all countries. Therefore, the Ministry for Transport and Telecommunications, more specifically the Sector for Radio-communications, besides planning, monitoring and management of the spectrum, also performs international coordination of the radio-frequencies and has intense cooperation with the international organisations in the field of radio-communications (ITU, CEPT/ERC, ICAO, INTELSAT, EUTELSAT, INMARSAT, IARU etc.).

Radio broadcasting

During the last years, there have been a lot of changes in the legislation on performing of a radio-broadcasting activities. The legal framework has been completed in 1997, with the enactment of the Law on Telecommunications, the Law on Radio-broadcasting and with the founding of the Counsel for Radio-diffusion. The Council for Radio-broadcasting is an autonomous body that represents the interests of the citizens of the Republic of Macedonia in performing radio-broadcasting activities.

The processes of democratization in the Republic of Macedonia and the enactment of the Constitution have contributed for significant increased interest for opening private radio-broadcasting stations.

With the establishment of the Council for Radio-broadcasting, founded by the Assembly of Republic of Macedonia, the formal changes have also begun, i.e., conditions were met for public announcement for granting concessions for radio-broadcasting activities.

On the announcements, that have been carried out in 1998 by the Council for Radio-broadcasting, 140 concessions were granted, two for national television network coverage, one for FM radio network, and for local coverage 57 concessions for television and 80 for radio. In the meantime from the total (140), 128 concessionaires signed agreements for concession and 12 have given up.

5. Air Traffic

The Republic of Macedonia become a contracting country of the ICAO on 9 January 1993, and a Member State of the ECAS on 3 July 1997.

Operators to/from Macedonia

State	Transporter	Characteristic mark
Albania	Ada Air	ADE
Austria	Austrian Airlines	AUA
Bulgaria	Balkan	LAZ
Bulgaria	Hemus Air	HMS
Croatia	Croatia Airlines	CTN

State	Transporter	Characteristic mark
Macedonia	Interimpex-Avioimpex	AXX
Macedonia	Macedonian Airtransport	MAK
Russia	Aeroflot	AFL
Slovenia	Adria Airways	ADR
Switzerland	Swissair	SWR
Yugoslavia	Yugoslav Airlines	JAT

The Republic of Macedonia has concluded bilateral agreements on regular air traffic. Those are as follows:

- Agreement between the Government of the Republic of Macedonia and the Government of the Republic of Turkey;
- Agreement between the Government of the Republic of Macedonia and the Government of the Republic of Croatia;
- Agreement between the Government of the Republic of Macedonia and the Government of the Swiss Confederation;
- Agreement between the Government of the Republic of Macedonia and the Government of the Republic of Italy;
- Agreement between the Government of the Republic of Macedonia and the Government of the Republic of Austria;
- Agreement between the Government of the Republic of Macedonia and the Government of the Kingdom of Holland;
- Agreement between the Government of the Republic of Macedonia and the Government of the Federative Republic of Yugoslavia;
- Agreement between the Government of the Republic of Macedonia and the Government of the Republic of Albania;
- Agreement between the Government of the Republic of Macedonia and the Government of the Kingdom of Belgium; and
- Agreement between the Government of the Republic of Macedonia and the Government of Ukraine.

The Republic of Macedonia has prepared draft bilateral agreements on regular air traffic. Those are as follows:

- Agreement between the Government of the Republic of Macedonia and the Government of the Republic of Slovenia;
- Agreement between the Government of the Republic of Macedonia and the Government of the Kingdom of Sweden;
- Agreement between the Government of the Republic of Macedonia and the Government of the Kingdom of Denmark;
- Agreement between the Government of the Republic of Macedonia and the Government of the Kingdom of Great Britain and Northern Ireland;
- Agreement between the Government of the Republic of Macedonia and the Government of the Kingdom of Norway;
- Agreement between the Government of the Republic of Macedonia and the Government of the Republic of Bulgaria;
- Agreement between the Government of the Republic of Macedonia and the Government of the Kingdom of Spain;
- Agreement between the Government of the Republic of Macedonia and the Government of the Russian Federation;
- Agreement between the Government of the Republic of Macedonia and the Government of the Federative Republic of Germany;

- Agreement between the Government of the Republic of Macedonia and the Government of the State Israel.

Movement of Aircraft

Airport	1994	1995	1996	1997
Skopje	10,843	11,892	8,608	8,995
Ohrid	481	869	2,318	968
Total	11,324	12,561	10,926	9,963

Transported Passengers

Airport	1994	1995	1996	1997
Skopje	603,447	590,173	427,135	431,112
Ohrid	18,235	34,397	10,191	38,875
Total	621,682	624,570	528,326	469,987

Report on the Macedonian Air Companies

Year	1995		1996		1997	
	AXX	MAT	AXX	MAT	AXX	MAT
Departures of aircraft	3,424	768	3,099	988	3,674	1,266
Passengers	207,563	42,663	183,728	57,638	230,285	65,512
Cargo	2647,000	236,400	769,159	80,000	788,767	70,000

6. Road transport sector

The Ministry of Transport and Communications is a government organ responsible for regulation in the sphere of road transport.

The Law on Road Transport has been adopted in this sphere. This Law regulates manners and conditions for road transport of passengers and goods in domestic and international road transport. Furthermore, the Law on Safety of Road Transport stipulates in detail the rules for road transport. Railway transport, construction, reconstruction, repair, maintenance and protection of railroad infrastructure, safety and funding, are regulated by the Law on Macedonian Railways. These activities of public interest are carried out by the public enterprise "Macedonian Railways".

The Republic of Macedonia has concluded bilateral agreements on international road transports. Those are as follows:

- Agreement between the Government of the Republic of Macedonia and the Government of the Republic of Croatia, signed on 6 July 1994, ratified on 15 March 1995.
- Agreement between the Government of the Republic of Macedonia and the Government of Republic of Bulgaria, signed on 22 February 1999.
- Agreement between the Government of the Republic of Macedonia and the Government of Republic of Turkey, signed on 27 April 1995 ratified on 20 September 1995.

- Agreement between the Government of the Republic of Macedonia and the Government of Republic of Slovenia, signed on 17 January 1996, ratified on 7 May 1996.
- Agreement between the Government of the Republic of Macedonia and the Government of Republic of Hungary, signed on 29 May 1996, ratified on 26 September 1996.
- Agreement between the Macedonian Government and the United Kingdom Government, signed on 18 June 1996, ratified on 16 October 1996.
- Agreement between the Government of the Republic of Macedonia and the Federal Government of the Federal Republic of Yugoslavia, signed on 4 September 1996, ratified on 18 December 1996.
- Agreement between the Government of the Republic of Macedonia and the Government of the FR Germany, signed on 8 October 1996, ratified on 19 February 1997.
- Agreement between the Government of the Republic of Macedonia and the Government of Republic of Belarus, signed on 9 April 1997, ratified on 9 July 1997.
- Agreement between the Government of the Republic of Macedonia and the Government of the Kingdom of the Netherlands, signed on 15 April 1997, ratified on 9 July 1997.
- Agreement between the Government of the Republic of Macedonia and the Government of the Republic of Austria, signed on 21 April 1997, ratified on 9 July 1997.
- Agreement between the Government of the Republic of Macedonia and the Swiss Federal Council signed on 22 April 1997, ratified on 9 July 1997.
- Agreement between the Government of the Republic of Macedonia and the Government of the Kingdom of Denmark, signed on 9 September 1997, ratified on 12 November 1997.
- Agreement between the Government of the Republic of Macedonia and the Government of the Russian Federation, signed on 21 October 1997, ratified on 3 February 1998.
- Agreement between the Government of the Republic of Macedonia and the Albanian Government signed on 15 January 1998, ratified on 19 March 1998.
- Agreement between the Government of the Republic of Macedonia and the Government of the Republic of Poland, signed on 5 February 1998, ratified on 25 March 1998.
- Agreement between the Government of the Republic of Macedonia and the Government of the Republic of France , signed on 29 January 1998, ratified on 28 April 1998.
- Agreement between the Government of the Republic of Macedonia and the Government of the Islamic Republic of Iran, signed on 18 April 1998, ratified on 9 June 1998.
- Agreement between the Government of the Republic of Macedonia and the Government of Kingdom Belgium, signed on 10 September 1998.
- Protocol between the Government of the Republic of Macedonia and the Government of the Republic of Greece, 20 October 1995

Some Draft agreements for international road transport are also negotiated. Those are as follows:

- Draft agreement for international district road transport of passengers with the Republic of Austria.
- Draft agreement for international non-regular road transport of passengers and goods with the Republic of Austria.

- Draft agreement for international road transport of passengers and goods with the Republic of Estonia.
- Draft agreement for international road transport of passengers and goods with the Republic of Latvia.
- Draft agreement for international road transport of passengers and goods with the Kingdom of Spain.
- Draft agreement for international road transport of passengers and goods with the Principality of Luxembourg.
- Draft agreement for international road transport of passengers and goods with the Republic of Italy.
- Draft agreement for international road transport of passengers and goods with the Republic of Ukraine.
- Draft agreement for international road transport of passengers and goods with the Republic of Moldova.

ANNEX I

Table 1: Gross Domestic Product by Economic Activity (in per cent)

	1990	1991	1992	1993	1994 *	1995	1996	1997 ¹
Manufacturing and Mining	31.5	24.4	29.4	25.1	19.9	19.6	19.5	19.8
Agriculture	6.7	10.8	14.4	9.8	10.5	10.6	10.7	11.0
Forestry	0.8	0.6	0.8	0.8	0.7	0.5	0.5	0.5
Water management	0.7	0.3	0.5	0.5	0.5	0.4	0.4	0.4
Construction	7.1	5.0	5.0	5.6	5.2	5.3	5.1	5.3
Transport and communications	6.4	6.4	7.1	7.2	6.0	6.1	5.9	6.0
Trade	6.2	2.5	1.7	8.0	10.6	11.1	11.2	12.0
Catering services	1.8	1.8	1.7	1.7	1.7	1.6	1.8	1.8
Crafts and personal services	2.5	2.5	2.0	2.3	2.4	2.0	2.1	2.2
Utilities and services	1.7	1.7	1.1	1.5	1.6	2.1	2.2	2.2
Financial and business services	2.8	7.5	2.2	15.5	21.0	5.8	5.5	5.4
Education, science and culture	6.4	7.3	5.6	6.7	6.2	6.1	6.1	5.8
Health and social welfare	6.0	7.3	5.8	6.1	5.5	5.3	5.0	4.9
General administration	5.5	7.2	6.7	6.3	5.9	6.7	6.7	6.5
Imputed rents	3.9	4.6	6.6	5.6	4.4	4.3	4.2	4.2
Total	90.2	90.0	90.6	102.8	102.0	87.5	87.0	88.2
Less: FISIM	1.8	6.4	1.3	13.6	18.2	3.0	2.3	2.4
Plus import duties	3.1	3.0	3.1	3.5	4.0	4.0	3.8	3.0
Plus indirect taxes	10.0	15.9	10.2	10.5	13.2	12.2	12.0	11.3
Less: Subsidies	1.5	2.5	2.7	3.2	1.0	0.7	0.5	0.1
GDP	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

1) Preliminary data

* Technical error correction, published in the Statistical Yearbook 1998 and brief report number 162

Source: Statistical Office of Macedonia

Table 2: GDP at Constant Prices Expressed in 1990 Denars by Economic Activity (in per cent)

	1990	1991	1992	1993	1994	1995	1996
Manufacturing & Mining	31.5	28.8	26.3	24.8	23.5	21.9	22.7
Agriculture and fisheries	6.7	8.7	9.4	8.2	9.1	9.6	9.3
Forestry	0.8	0.9	0.9	1.1	1.0	1.0	1.0
Water Management	0.7	0.8	0.8	0.8	0.8	0.8	0.9
Construction	7.1	6.4	6.7	6.5	5.6	5.5	5.6
Transport & communication	6.4	5.7	5.7	6.0	5.7	5.6	5.6
Trade	6.2	6.9	5.4	6.1	7.0	7.3	7.4
Tourism and catering	1.8	2.1	2.1	2.2	2.0	2.1	2.2
Personal services and crafts	2.5	2.4	1.8	2.3	2.0	2.1	2.2
Utilities and public services, landscaping and maintenance	1.7	1.8	2.0	1.9	1.7	1.8	1.8
Financial, technical, business and insurance services	2.8	4.1	4.6	4.8	5.2	5.1	4.5
Education, science, culture and information	6.4	6.8	7.2	7.8	8.1	8.5	8.5
Health care and social security	6.0	6.4	7.1	7.8	7.8	7.8	7.7
State and local administration, bodies, political parties, public organisations and associations	5.5	5.2	5.1	5.6	5.8	5.9	5.6
Imputed rents	3.9	4.3	4.7	5.2	5.4	5.5	5.5
Total	90.6	91.6	90.3	91.7	91.4	90.9	91.0
Minus: imputed banking services	1.8	2.8	3.1	3.5	3.8	3.8	3.3
Plus: import duties	3.1	3.1	3.2	3.2	3.2	3.2	3.1
Plus: Indirect taxes not included							
in basic prices	10.0	10.1	10.2	10.2	10.3	10.3	10.1
Less: Subsidies	1.5	1.5	1.6	1.6	1.6	1.6	1.5
GDP	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Statistical Office of Macedonia

Table 3: Imports by Main Commodity Group 1994 – 1998 (in 000 US\$)

SITC category / year	1994	1995	1996	1997	1998 ¹⁾
Food products	282272	280729	218170	243143	255589
Beverages and tobacco	24456	17370	17417	19749	25864
Raw materials except fuel	75217	78777	78447	69176	67188
Fuel and lubricants	160952	198963	148484	197044	162537
Oils and fats	1556	3998	20117	15472	25578
Chemical products	196894	205015	171169	192152	203081
Products classif. by materials	204059	269205	306958	343767	277386
Machines and trans. equipment	292138	334637	363047	302044	365190
Misc. ready-made prod.	144196	154217	173371	213773	93736
Other	102352	175993	129737	182195	437326
TOTAL	1484092	1718904	1626917	1778515	1913475
1) Preliminary data					

Table 4: Imports Structure by Main Commodity Group 1990 - 1998

SITC CATEGORY / YEAR	1994	1995	1996	1997	1998 ¹⁾
Food products	19.0%	16.3%	13.4%	13.7%	13.4%
Beverages and tobacco	1.6%	1.0%	1.1%	1.1%	1.4%
Raw materials except fuel	5.1%	4.6%	4.8%	3.9%	3.5%
Fuel and lubricants	10.8%	11.6%	9.1%	11.1%	8.5%
Oils and fats	0.1%	0.2%	1.2%	0.9%	1.3%
Chemical products	13.3%	11.9%	10.5%	10.8%	10.6%
Products classif. by materials	13.7%	15.7%	18.9%	19.3%	14.5%
Machines and trans. equipment	19.7%	19.5%	22.3%	17.0%	19.1%
Miscelan. Ready-made prod.	9.7%	9.0%	10.7%	12.0%	4.9%
Other	6.9%	10.2%	8.0%	10.2%	22.9%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%

1) Preliminary data

Table 5: Exports by Geographical Region, Economic Classification of Countries
and Country of Destination 1994 – 1998 (in 000 US\$)

COUNTRY / YEAR	1994	1995	1996	1997	1998 ¹⁾
TOTAL	1086343	1204048	1147440	1236808	1322052
DEVELOPED COUNTRIES	478772	523282	616502	695131	822079
EU	343253	407784	490232	461958	584483
France	23649	23487	6041	5791	17682
Italy	125867	118405	51417	43660	96825
Netherlands	14630	29741	47934	42060	43718
Germany	145964	153075	214613	199009	283023
Greece	12724	14177	102409	98982	83338
United Kingdom	9258	21086	30636	31942	23382
Other	11161	47813	37182	40514	36515
EFTA	55491	37102	33245	86810	45256
Switzerland	33398	36739	33112	70732	40275
Other	762	363	133	16078	4981
OTHER DEVELOPED COUNTRIES	80028	78396	93025	146363	192340
Japan	1201	1122	2365	1319	2124
USA	39507	35560	70716	117045	175105
EAST EUROPEAN COUNTRIES	405276	446179	134933	122954	109477
Bulgaria	239693	256034	38230	35270	42578
Russian Federation	76404	87233	38606	26569	26097
Other	89179	102912	58097	61115	40802
DEVELOPING COUNTRIES	59420	43976	13523	24050	32762
LDC	974	591	1022	1259	2371
SUCCESSOR STATES OF THE FORMER SFRY	141901	190020	380118	392756	355133
Slovenia	71440	72424	82120	58933	41336
SR Yugoslavia	39942	84785	245837	273552	240163
Croatia	29927	32125	34040	39292	54050
OTHER COUNTRIES	-	-	1342	658	230

1) Preliminary data

Table 6: Exports Structure by Geographical Region, Economic Classification
of Countries and Country of Destination 1994 – 1998

COUNTRY / YEAR	1994	1995	1996	1997	1998 ¹⁾
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
DEVELOPED COUNTRIES	44.1%	43.5%	53.7%	56.2%	62.2%
EU	31.6%	33.9%	42.7%	37.4%	44.2%
France	2.2%	2.0%	0.5%	0.5%	1.3%
Italy	11.6%	9.8%	4.5%	3.5%	7.3%
Netherlands	1.3%	2.5%	4.2%	3.4%	3.3%
Germany	13.4%	12.7%	18.7%	16.1%	21.4%
Greece	1.0%	1.1%	7.7%	7.5%	6.3%
United Kingdom	0.9%	1.8%	2.7%	2.6%	1.8%
Other	2.2%	5.1%	12.2%	3.3%	2.8%
EFTA	5.1%	3.1%	2.9%	7.0%	3.4%
Switzerland	3.1%	3.1%	2.9%	5.7%	3.0%
Other	0.1%	0.0%	0.0%	1.3%	0.4%
OTHER DEVELOPED COUNTRIES	7.4%	6.5%	8.1%	11.8%	14.5%
Japan	0.1%	0.1%	0.2%	0.1%	0.2%
USA	3.6%	3.0%	6.2%	9.5%	13.2%
EAST EUROPEAN COUNTRIES	37.3%	37.1%	11.8%	9.9%	8.3%
Bulgaria	22.1%	21.3%	3.3%	2.9%	3.2%
Russian Federation	7.0%	7.2%	3.4%	2.1%	2.0%
Other	8.2%	8.5%	5.1%	4.9%	3.1%
DEVELOPING COUNTRIES	5.5%	3.7%	1.2%	1.9%	2.5%
LDC	0.1%	0.0%	0.1%	0.1%	0.2%
SUCCESSOR STATES OF THE FORMER SFRY	13.1%	15.8%	33.1%	31.8%	26.9%
Slovenia	6.6%	6.0%	7.2%	4.8%	3.1%
SR Yugoslavia	3.0%	6.4%	18.6%	20.7%	18.2%
Croatia	2.8%	2.7%	3.0%	3.2%	4.1%
OTHER COUNTRIES	-	-	0.1%	0.1%	0.0%

1) Preliminary data

Table 7: Imports by Geographical Region, Economic Classification of Countries
and Country of Destination 1994 – 1998 (in 000 US\$)

COUNTRY / YEAR	1994	1995	1996	1997	1998 ¹⁾
TOTAL	1484092	1718904	1626917	1778515	1913475
DEVELOPED COUNTRIES	717679	860822	806184	863507	927035
EU	511506	689572	629778	658525	693891
France	35153	36101	48649	36708	36575
Italy	109939	179300	109840	96030	109089
Netherlands	39956	43375	39833	40378	42246
Germany	254376	282968	239939	239024	254986
Greece	23504	28893	77429	130055	113314
United Kingdom	18546	20208	22504	23151	30302
Other	30032	98727	91584	93179	107379
EFTA	79995	20044	24886	29291	35686
Switzerland	24028	19127	23222	24022	27727
Other	1154	917	1664	5269	7959
OTHER DEVELOPED COUNTRIES	126178	151206	151520	175691	197458
Japan	12724	14561	15500	12540	16592
USA	49528	57800	67842	83425	101569
EAST EUROPEAN COUNTRIES	378133	434722	343998	360197	400086
Bulgaria	241651	255945	107454	99018	86168
Russian Federation	46424	62847	122330	69208	91025
Other	90058	115930	114214	191971	222893
DEVELOPING COUNTRIES	63459	85897	96923	112946	114020
LDC	839	2859	5452	2655	6867
SUCCESSOR STATES OF THE FORMER SFRY	323982	334604	342046	420212	465455
Slovenia	162188	116488	124282	137560	148805
SR Yugoslavia	101447	161072	165596	206023	244626
Croatia	59462	56279	48898	69450	64445
OTHER COUNTRIES	-	-	32314	18998	12

1) Preliminary data

Table 8: Imports Structure by Geographical Region, Economic Classification
of Countries and Country of Destination 1994 – 1998

COUNTRY / YEAR	1994	1995	1996	1997	1998 ¹⁾
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
DEVELOPED COUNTRIES	48.4%	50.1%	49.6%	48.6%	48.4%
EU	34.5%	40.1%	38.7%	37.0%	36.3%
France	2.4%	2.1%	3.0%	2.1%	1.9%
Italy	7.4%	10.4%	6.8%	5.4%	5.7%
Netherlands	2.7%	2.5%	2.4%	2.3%	2.2%
Germany	17.1%	16.5%	14.7%	13.4%	13.3%
Greece	1.3%	1.6%	4.4%	7.3%	5.9%
United Kingdom	1.2%	1.2%	1.4%	1.3%	1.6%
Other	3.6%	7.4%	10.4%	5.2%	5.6%
EFTA	5.4%	1.2%	1.5%	1.6%	1.9%
Switzerland	1.6%	1.1%	1.4%	1.4%	1.4%
Other	0.1%	0.1%	0.1%	0.3%	0.4%
OTHER DEVELOPED COUNTRIES	8.5%	8.8%	9.3%	9.9%	10.3%
Japan	0.9%	0.8%	1.0%	0.7%	0.9%
USA	3.3%	3.4%	4.2%	4.7%	5.3%
EAST EUROPEAN COUNTRIES	25.5%	25.3%	21.1%	20.3%	20.9%
Bulgaria	16.3%	14.9%	6.6%	5.6%	4.5%
Russian Federation	3.1%	3.7%	7.5%	3.9%	4.8%
Other	6.1%	6.7%	7.0%	10.8%	11.6%
DEVELOPING COUNTRIES	4.3%	5.0%	6.0%	6.4%	6.0%
LDC	0.1%	0.2%	0.3%	0.1%	0.4%
SUCCESSOR STATES OF THE FORMER SFRY	21.8%	19.5%	21.0%	23.6%	24.3%
Slovenia	10.9%	6.8%	7.6%	7.7%	7.8%
SR Yugoslavia	5.3%	8.4%	8.7%	10.8%	12.8%
Croatia	4.0%	3.3%	3.0%	3.9%	3.4%
OTHER COUNTRIES	-	-	2.0%	1.1%	0.0%

1) Preliminary data

Table 9: Exports by Geographical Region, Economic Classification of Countries, Country of Destination and Categories of Goods as Defined by SITC in 1998 (preliminary data)

	TOTAL	Food products	Beverages and tobacco	Raw materials except fuel	Fuel and lubricants	Oils and fats	Chemical products	Products classif. by mater.	Machines and trans. equipment	Misc. ready made products	Other
TOTAL	1322052	66232	143830	56358	10459	244	65439	448495	98408	430272	2315
DEVELOPED COUNTRIES	822078	20171	54384	22719	3970	109	5684	286222	23670	403221	1928
EU	584483	17607	34943	17057	3854	109	4712	203665	20153	280933	1448
France	17682	1312	479	810	8	0	0	11592	2010	1384	88
Italy	96825	6864	2462	5361	8	0	1433	62433	1504	16309	452
Netherlands	43718	1228	1088	78	6	0	91	6319	183	34657	67
Germany	283026	2680	17700	5154	9	69	616	68683	9564	178029	521
Greece	83338	4217	9335	3849	3628	13	2313	29334	1961	28560	128
United Kingdom	23382	308	1145	21	11	0	34	10416	1310	10086	51
Other	36512	1000	2735	1783	183	27	226	14888	3621	11908	141
E F T A	45256	759	930	1612	49	0	21	39379	51	2452	2
Switzerland	40275	749	930	1612	49	0	21	35937	51	924	2
Other	4980	9	0	0	1	0	0	3442	0	1528	0
OTHER DEVELOPED COUNTRIES	192340	1805	18511	4050	67	0	951	43177	3465	119836	478
Japan	2124	0	1976	141	0	0	0	0	0	6	0
USA	175105	247	15397	7	45	0	144	39972	646	118325	322
EAST EUROPEAN COUNTRIES	109477	9607	22302	16089	329	52	10189	21550	20457	8729	174
CIS	33337	893	5077	1326	237	0	5719	2612	10955	6468	50
Other	76140	8714	17225	14762	92	52	4470	18938	9502	2261	124
DEVELOPING COUNTRIES	32762	2007	5857	795	222	0	146	18818	4609	297	10
LDC	2372	0	0	0	0	0	0	233	2119	20	0
SUCCESSOR STATES OF THE FORMER SFRY	355133	34446	61227	16692	5938	83	49418	121637	47508	17980	204
Croatia	54050	3332	3526	580	14	40	6096	28102	8583	3696	81
SR Yugoslavia	240163	21844	48610	13191	5642	8	38490	78452	24183	9638	106
Slovenia	41336	4610	6733	1694	252	0	2077	9423	12797	3743	7
OTHER COUNTRIES	230	0	60	63	0	0	1	35	46	24	0

Table 10: Exports Structure by Geographical Region, Economic Classification of Countries, Country of Destination and Categories of Goods as Defined by SITC in 1998 (preliminary data)

	TOTAL	Food products	Beverages and tobacco	Raw materials except fuel	Fuel and lubricants	Oils and fats	Chemical products	Products classif. by mater.	Machines and trans. equipment	Misc. ready made products	Other
TOTAL	100.0%	5.0%	10.9%	4.3%	0.8%	0.0%	4.9%	33.9%	7.4%	32.5%	0.2%
DEVELOPED COUNTRIES	62.2%	1.5%	4.1%	1.7%	0.3%	0.0%	0.4%	21.6%	1.8%	30.5%	0.1%
EU	44.2%	1.3%	2.6%	1.3%	0.3%	0.0%	0.4%	15.4%	1.5%	21.2%	0.1%
France	1.3%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.9%	0.2%	0.1%	0.0%
Italy	7.3%	0.5%	0.2%	0.4%	0.0%	0.0%	0.1%	4.7%	0.1%	1.2%	0.0%
Netherlands	3.3%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	2.6%	0.0%
Germany	21.4%	0.2%	1.3%	0.4%	0.0%	0.0%	0.0%	5.2%	0.7%	13.5%	0.0%
Greece	6.3%	0.3%	0.7%	0.3%	0.3%	0.0%	0.2%	2.2%	0.1%	2.2%	0.0%
United Kingdom	1.8%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.8%	0.1%	0.8%	0.0%
Other	2.8%	0.1%	0.2%	0.1%	0.0%	0.0%	0.0%	1.1%	0.3%	0.9%	0.0%
E F T A	3.4%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	3.0%	0.0%	0.2%	0.0%
Switzerland	3.0%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	2.7%	0.0%	0.1%	0.0%
Other	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.0%	0.1%	0.0%
OTHER DEVELOPED COUNTRIES	14.5%	0.1%	1.4%	0.3%	0.0%	0.0%	0.1%	3.3%	0.3%	9.1%	0.0%
Japan	0.2%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
USA	13.2%	0.0%	1.2%	0.0%	0.0%	0.0%	0.0%	3.0%	0.0%	9.0%	0.0%
EAST EUROPEAN COUNTRIES	8.3%	0.7%	1.7%	1.2%	0.0%	0.0%	0.8%	1.6%	1.5%	0.7%	0.0%
CIS	2.5%	0.1%	0.4%	0.1%	0.0%	0.0%	0.4%	0.2%	0.8%	0.5%	0.0%
Other	5.8%	0.7%	1.3%	1.1%	0.0%	0.0%	0.3%	1.4%	0.7%	0.2%	0.0%
DEVELOPING COUNTRIES	2.5%	0.2%	0.4%	0.1%	0.0%	0.0%	0.0%	1.4%	0.3%	0.0%	0.0%
LDC	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%
SUCCESSOR STATES OF THE FORMER SFRY	26.9%	2.6%	4.6%	1.3%	0.4%	0.0%	3.7%	9.2%	3.6%	1.4%	0.0%
Croatia	4.1%	0.3%	0.3%	0.0%	0.0%	0.0%	0.5%	2.1%	0.6%	0.3%	0.0%
SR Yugoslavia	18.2%	1.7%	3.7%	1.0%	0.4%	0.0%	2.9%	5.9%	1.8%	0.7%	0.0%
Slovenia	3.1%	0.3%	0.5%	0.1%	0.0%	0.0%	0.2%	0.7%	1.0%	0.3%	0.0%
OTHER COUNTRIES	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table 11: Exports by Geographical Region, Economic Classification of Countries, Country of Destination and Categories of Goods as Defined by SITC in 1997 (in 000 US\$)

	TOTAL	Food products	Beverages and tobacco	Raw materials except fuel	Fuel and lubricants	Oils and fats	Chemical products	Products classif. by mater.	Machines and trans. equipment	Misc. ready made products	Other
TOTAL	1236808	70870	177125	68979	5559	280	72691	422705	95910	321313	1376
DEVELOPED COUNTRIES	695131	10632	69291	30599	243	53	11789	255038	24496	292697	293
EU	461958	9518	45464	13963	159	53	6202	156318	20550	209651	80
France	5791	812	321	559	1	0	1	1276	1980	838	3
Italy	43660	2199	2866	4864	2	0	897	25448	2137	5247	0
Netherlands	42060	678	3553	121	0	0	632	8565	243	28256	12
Germany	199009	3320	22116	2753	2	46	528	31183	10844	128181	36
Greece	98982	2115	10525	4886	5	0	3753	51903	1828	23950	19
United Kingdom	31942	0	1921	41	0	0	36	22647	1353	5940	4
Other	40514	394	4162	739	149	7	355	15296	2165	17239	6
E F T A	86810	377	3377	1939	6	0	20	79507	316	1257	11
Switzerland	70732	377	3365	1939	6	0	20	64188	290	536	11
Other	16078	0	12	0	0	0	0	15319	26	721	0
OTHER DEVELOPED COUNTRIES	146363	737	20450	14697	78	0	5567	19213	3630	81789	202
Japan	1319	0	963	331	0	0	0	0	0	25	0
USA	117045	19	19317	8	77	0	4547	11805	427	80788	57
EAST EUROPEAN COUNTRIES	122954	14034	24609	11978	311	188	11965	25587	23035	10648	599
CIS	34911	2904	946	1943	125	0	6245	5528	9907	7193	120
Other	88043	11130	23663	10035	186	188	5720	20059	13128	3455	479
DEVELOPING COUNTRIES	24050	2223	3649	2322	1115	0	61	10674	3537	455	14
LDC	1259	8	0	6	1	0	0	19	1162	63	0
SUCCESSOR STATES OF THE FORMER SFRY	392756	43960	79431	24066	3889	39	48862	130993	43611	17435	470
Croatia	39292	3856	6302	1027	12	1	5501	15268	5214	2111	0
SR Yugoslavia	262396	28974	54777	21462	3664	3	38599	83725	21962	8753	478
Slovenia	58933	3743	10565	1756	159	0	2130	22679	12842	5053	6
OTHER COUNTRIES	658	13	145	8	0	0	14	394	69	15	0

Table 12: Exports Structure by Geographical Region, Economic Classification of Countries, Country of Destination and Categories of Goods as Defined by SITC in 1997

	TOTAL	Food products	Beverages and tobacco	Raw materials except fuel	Fuel and lubricants	Oils and fats	Chemical products	Products classif. by mater.	Machines and trans. equip-ment	Misc. ready made products	Other
TOTAL	100.0%	5.7%	14.3%	5.6%	0.4%	0.0%	5.9%	34.2%	7.8%	26.0%	0.1%
DEVELOPED COUNTRIES	56.2%	0.9%	5.6%	2.5%	0.0%	0.0%	1.0%	20.6%	2.0%	23.7%	0.0%
EU	37.4%	0.8%	3.7%	1.1%	0.0%	0.0%	0.5%	12.6%	1.7%	17.0%	0.0%
France	0.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%	0.1%	0.0%
Italy	3.5%	0.2%	0.2%	0.4%	0.0%	0.0%	0.1%	2.1%	0.2%	0.4%	0.0%
Netherlands	3.4%	0.1%	0.3%	0.0%	0.0%	0.0%	0.1%	0.7%	0.0%	2.3%	0.0%
Germany	16.1%	0.3%	1.8%	0.2%	0.0%	0.0%	0.0%	2.5%	0.9%	10.4%	0.0%
Greece	8.0%	0.2%	0.9%	0.4%	0.0%	0.0%	0.3%	4.2%	0.1%	1.9%	0.0%
United Kingdom	2.6%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	1.8%	0.1%	0.5%	0.0%
Other	3.3%	0.0%	0.3%	0.1%	0.0%	0.0%	0.0%	1.2%	0.2%	1.4%	0.0%
E F T A	7.0%	0.0%	0.3%	0.2%	0.0%	0.0%	0.0%	6.4%	0.0%	0.1%	0.0%
Switzerland	5.7%	0.0%	0.3%	0.2%	0.0%	0.0%	0.0%	5.2%	0.0%	0.0%	0.0%
Other	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%	0.0%	0.1%	0.0%
OTHER DEVELOPED COUNTRIES	11.8%	0.1%	1.7%	1.2%	0.0%	0.0%	0.5%	1.6%	0.3%	6.6%	0.0%
Japan	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
USA	9.5%	0.0%	1.6%	0.0%	0.0%	0.0%	0.4%	1.0%	0.0%	6.5%	0.0%
EAST EUROPEAN COUNTRIES	9.9%	1.1%	2.0%	1.0%	0.0%	0.0%	1.0%	2.1%	1.9%	0.9%	0.0%
CIS	2.8%	0.2%	0.1%	0.2%	0.0%	0.0%	0.5%	0.4%	0.8%	0.6%	0.0%
Other	7.1%	0.9%	1.9%	0.8%	0.0%	0.0%	0.5%	1.6%	1.1%	0.3%	0.0%
DEVELOPING COUNTRIES	1.9%	0.2%	0.3%	0.2%	0.1%	0.0%	0.0%	0.9%	0.3%	0.0%	0.0%
LDC	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%
SUCCESSOR STATES OF THE FORMER SFRY	31.8%	3.6%	6.4%	1.9%	0.3%	0.0%	4.0%	10.6%	3.5%	1.4%	0.0%
Croatia	4.8%	0.3%	0.5%	0.1%	0.0%	0.0%	0.4%	1.2%	0.4%	0.2%	0.0%
SR Yugoslavia	21.2%	2.3%	4.4%	1.7%	0.3%	0.0%	3.1%	6.8%	1.8%	0.7%	0.0%
Slovenia	3.2%	0.3%	0.9%	0.1%	0.0%	0.0%	0.2%	1.8%	1.0%	0.4%	0.0%
OTHER COUNTRIES	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table 13: Imports by Geographical Region, Economic Classification of Countries, Country of Destination and Categories of Goods as Defined by SITC in 1998 (preliminary data, in 000 US\$)

	TOTAL	Food products	Beverages and tobacco	Raw materials except fuel	Fuel and lubricants	Oils and fats	Chemical products	Products classif. by mater.	Machines and trans. equipment	Misc. ready made products	Other
TOTAL	1913475	255588	25864	67188	162537	25578	203081	277386	365190	93736	437325
DEVELOPED COUNTRIES	1088808	93598	7057	31225	21288	12071	93807	93926	251611	49922	272531
EU	693891	65175	4633	15775	12749	10938	76133	76083	172567	35348	224490
France	36575	2626	280	180	166	75	10505	1893	18152	1549	1150
Italy	109089	4557	585	1264	599	133	12221	16116	32455	10203	30957
Netherlands	42246	5015	110	2240	1056	243	2708	2059	3542	909	24364
Germany	254986	9525	535	3502	1053	449	20663	16523	68666	8526	125543
Greece	113314	22343	1306	7103	7873	8865	7291	17848	9251	5079	26354
United Kingdom	30302	381	957	396	522	7	5255	2603	9497	2140	8545
Other	107378	20727	862	1089	1480	1166	17490	19041	31004	6942	7577
E F T A	197458	1905	1074	433	8368	38	9577	1954	5464	2056	4817
Switzerland	27727	1588	1074	395	4318	5	9498	1819	5325	1719	1986
Other	7959	317	0	39	4050	33	79	136	138	337	2831
OTHER DEVELOPED COUNTRIES	197458	26518	1351	15017	170	1094	8097	15889	73580	12518	43224
Japan	16592	80	0	412	0	0	382	652	13255	1729	81
USA	101569	16919	1011	2959	55	0	1579	1434	43334	3906	30371
EAST EUROPEAN COUNTRIES	400086	24891	1098	12171	107263	6692	38496	61006	26400	3250	118820
CIS	228191	1101	6	2224	91695	412	7120	11034	8902	135	105562
Other	171896	23790	1092	9947	15568	6280	31376	49973	17498	3115	13258
DEVELOPING COUNTRIES	114020	50653	527	6198	9404	116	2323	3417	13771	4617	22994
LDC	6866	1357	270	1549	54	0	0	240	6	1	3389
SUCCESSOR STATES OF THE FORMER SFRY	465455	85089	16912	16034	24528	6699	68456	118797	73403	35946	19591
Croatia	64445	13962	3920	397	14969	1	10985	9096	6445	3543	1126
SR Yugoslavia	244626	45711	11514	9966	9000	6119	26355	70888	35788	17457	11828
Slovenia	148805	23521	505	4257	558	372	30758	37785	30028	14500	6521
OTHER COUNTRIES	12	0	0	12	0	0	0	0	0	0	0

Table 14: Imports Structure by Geographical Region, Economic Classification of Countries, Country of Destination and Categories of Goods as Defined by SITC in 1998 (preliminary data)

	TOTAL	Food products	Beverages and tobacco	Raw materials except fuel	Fuel and lubricants	Oils and fats	Chemical products	Products classif. by mater.	Machines and trans. equipment	Misc. ready made products	Other
TOTAL	100.0%	13.4%	1.4%	3.5%	8.5%	1.3%	10.6%	14.5%	19.1%	4.9%	22.9%
DEVELOPED COUNTRIES	56.9%	4.9%	0.4%	1.6%	1.1%	0.6%	4.9%	4.9%	13.1%	2.6%	14.2%
EU	36.3%	3.4%	0.2%	0.8%	0.7%	0.6%	4.0%	4.0%	9.0%	1.8%	11.7%
France	1.9%	0.1%	0.0%	0.0%	0.0%	0.0%	0.5%	0.1%	0.9%	0.1%	0.1%
Italy	5.7%	0.2%	0.0%	0.1%	0.0%	0.0%	0.6%	0.8%	1.7%	0.5%	1.6%
Netherlands	2.2%	0.3%	0.0%	0.1%	0.1%	0.0%	0.1%	0.1%	0.2%	0.0%	1.3%
Germany	13.3%	0.5%	0.0%	0.2%	0.1%	0.0%	1.1%	0.9%	3.6%	0.4%	6.6%
Greece	5.9%	1.2%	0.1%	0.4%	0.4%	0.5%	0.4%	0.9%	0.5%	0.3%	1.4%
United Kingdom	1.6%	0.0%	0.1%	0.0%	0.0%	0.0%	0.3%	0.1%	0.5%	0.1%	0.4%
Other	5.6%	1.1%	0.0%	0.1%	0.1%	0.1%	0.9%	1.0%	1.6%	0.4%	0.4%
E F T A	10.3%	0.1%	0.1%	0.0%	0.4%	0.0%	0.5%	0.1%	0.3%	0.1%	0.3%
Switzerland	1.4%	0.1%	0.1%	0.0%	0.2%	0.0%	0.5%	0.1%	0.3%	0.1%	0.1%
Other	0.4%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
OTHER DEVELOPED COUNTRIES	10.3%	1.4%	0.1%	0.8%	0.0%	0.1%	0.4%	0.8%	3.8%	0.7%	2.3%
Japan	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	0.1%	0.0%
USA	5.3%	0.9%	0.1%	0.2%	0.0%	0.0%	0.1%	0.1%	2.3%	0.2%	1.6%
EAST EUROPEAN COUNTRIES	20.9%	1.3%	0.1%	0.6%	5.6%	0.3%	2.0%	3.2%	1.4%	0.2%	6.2%
CIS	11.9%	0.1%	0.0%	0.1%	4.8%	0.0%	0.4%	0.6%	0.5%	0.0%	5.5%
Other	9.0%	1.2%	0.1%	0.5%	0.8%	0.3%	1.6%	2.6%	0.9%	0.2%	0.7%
DEVELOPING COUNTRIES	6.0%	2.6%	0.0%	0.3%	0.5%	0.0%	0.1%	0.2%	0.7%	0.2%	1.2%
LDC	0.4%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
SUCCESSOR STATES OF THE FORMER SFRY	24.3%	4.4%	0.9%	0.8%	1.3%	0.4%	3.6%	6.2%	3.8%	1.9%	1.0%
Croatia	3.4%	0.7%	0.2%	0.0%	0.8%	0.0%	0.6%	0.5%	0.3%	0.2%	0.1%
SR Yugoslavia	12.8%	2.4%	0.6%	0.5%	0.5%	0.3%	1.4%	3.7%	1.9%	0.9%	0.6%
Slovenia	7.8%	1.2%	0.0%	0.2%	0.0%	0.0%	1.6%	2.0%	1.6%	0.8%	0.3%
OTHER COUNTRIES	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table 15: Imports by Geographical Region, Economic Classification of Countries, Country of Destination and Categories of Goods as Defined by SITC in 1997 (in 000 US\$)

	TOTAL	Food products	Beverages and tobacco	Raw materials except fuel	Fuel and lubricants	Oils and fats	Chemical products	Products classif. by mater.	Machines and trans. equipment	Misc. ready made products	Other
TOTAL	1778515	243143	19749	69176	197044	15472	192152	343767	302044	213773	182195
DEVELOPED COUNTRIES	863507	87670	4522	34892	53921	4390	88075	104940	202690	167860	114547
EU	658525	60670	3228	13493	45518	4061	71433	81318	156491	124700	97613
France	36708	3142	495	53	206	10	10937	1823	16750	2704	588
Italy	96030	3398	40	1450	538	79	11488	15065	27053	34870	2049
Netherlands	40378	3116	77	2001	959	340	3116	1544	2887	8926	17412
Germany	239024	11286	1528	2128	958	114	18489	19752	74087	48100	62582
Greece	130055	24637	646	5971	35237	3051	6374	25684	6232	13124	9100
United Kingdom	23151	1227	18	198	727	17	4999	1764	6357	5071	2773
Other	93179	13864	424	1692	6893	450	16030	15686	23125	11905	3109
E F T A	29291	1249	814	121	5710	151	9561	3675	5500	2270	240
Switzerland	24022	1068	814	117	1982	130	9326	3505	5351	1489	240
Other	5269	181	0	4	3728	21	235	170	149	781	0
OTHER DEVELOPED COUNTRIES	175691	25751	480	21278	2693	178	7081	19947	40699	40890	16694
Japan	12540	10	0	4	0	0	364	813	8241	3107	1
USA	83425	18749	467	3848	2317	4	1999	5609	16493	27457	6482
EAST EUROPEAN COUNTRIES	360197	23601	2120	11883	94738	6171	38147	113260	22539	5706	42032
CIS	186522	2197	0	2435	78584	680	4837	61889	4734	1329	29837
Other	173675	21404	2120	9448	16154	5491	33310	51371	17805	4377	12195
DEVELOPING COUNTRIES	112946	49791	128	4765	11458	81	947	17950	13473	4977	9376
LDC	2655	368	0	1775	20	0	11	457	18	6	0
SUCCESSOR STATES OF THE FORMER SFRY	420212	80690	10895	15696	36212	4819	64323	96390	62074	33677	15436
Croatia	69450	12834	3396	379	26266	0	10759	8270	5287	2208	51
SR Yugoslavia	204494	41037	4737	10007	9489	4563	23774	56522	28064	13473	12828
Slovenia	137560	25524	1115	3871	120	161	28854	30262	27387	17709	2557
OTHER COUNTRIES	18998	1023	2084	165	695	11	649	10770	1250	1547	804

Table 16: Imports Structure by Geographical Region, Economic Classification of Countries, Country of Destination and Categories of Goods as Defined by SITC in 1997

	TOTAL	Food products	Beverages and tobacco	Raw materials except fuel	Fuel and lubricants	Oils and fats	Chemical products	Products classif. by mater.	Machines and trans. equipment	Misclen. ready made products	Other
TOTAL	100.0%	13.7%	1.1%	3.9%	11.1%	0.9%	10.8%	19.3%	17.0%	12.0%	10.2%
DEVELOPED COUNTRIES	48.6%	4.9%	0.3%	2.0%	3.0%	0.2%	5.0%	5.9%	11.4%	9.4%	6.4%
EU	37.0%	3.4%	0.2%	0.8%	2.6%	0.2%	4.0%	4.6%	8.8%	7.0%	5.5%
France	2.1%	0.2%	0.0%	0.0%	0.0%	0.0%	0.6%	0.1%	0.9%	0.2%	0.0%
Italy	5.4%	0.2%	0.0%	0.1%	0.0%	0.0%	0.6%	0.8%	1.5%	2.0%	0.1%
Netherlands	2.3%	0.2%	0.0%	0.1%	0.1%	0.0%	0.2%	0.1%	0.2%	0.5%	1.0%
Germany	13.4%	0.6%	0.1%	0.1%	0.1%	0.0%	1.0%	1.1%	4.2%	2.7%	3.5%
Greece	7.3%	1.4%	0.0%	0.3%	2.0%	0.2%	0.4%	1.4%	0.4%	0.7%	0.5%
United Kingdom	1.3%	0.1%	0.0%	0.0%	0.0%	0.0%	0.3%	0.1%	0.4%	0.3%	0.2%
Other	5.2%	0.8%	0.0%	0.1%	0.4%	0.0%	0.9%	0.9%	1.3%	0.7%	0.2%
E F T A	1.6%	0.1%	0.0%	0.0%	0.3%	0.0%	0.5%	0.2%	0.3%	0.1%	0.0%
Switzerland	1.4%	0.1%	0.0%	0.0%	0.1%	0.0%	0.5%	0.2%	0.3%	0.1%	0.0%
Other	0.3%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
OTHER DEVELOPED COUNTRIES	9.9%	1.4%	0.0%	1.2%	0.2%	0.0%	0.4%	1.1%	2.3%	2.3%	0.9%
Japan	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.2%	0.0%
USA	4.7%	1.1%	0.0%	0.2%	0.1%	0.0%	0.1%	0.3%	0.9%	1.5%	0.4%
EAST EUROPEAN COUNTRIES	20.3%	1.3%	0.1%	0.7%	5.3%	0.3%	2.1%	6.4%	1.3%	0.3%	2.4%
CIS	10.5%	0.1%	0.0%	0.1%	4.4%	0.0%	0.3%	3.5%	0.3%	0.1%	1.7%
Other	9.8%	1.2%	0.1%	0.5%	0.9%	0.3%	1.9%	2.9%	1.0%	0.2%	0.7%
DEVELOPING COUNTRIES	6.4%	2.8%	0.0%	0.3%	0.6%	0.0%	0.1%	1.0%	0.8%	0.3%	0.5%
LDC	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SUCCESSOR STATES OF THE FORMER SFRY	23.6%	4.5%	0.6%	0.9%	2.0%	0.3%	3.6%	5.4%	3.5%	1.9%	0.9%
Croatia	3.9%	0.7%	0.2%	0.0%	1.5%	0.0%	0.6%	0.5%	0.3%	0.1%	0.0%
SR Yugoslavia	11.5%	2.3%	0.3%	0.6%	0.5%	0.3%	1.3%	3.2%	1.6%	0.8%	0.7%
Slovenia	7.7%	1.4%	0.1%	0.2%	0.0%	0.0%	1.6%	1.7%	1.5%	1.0%	0.1%
OTHER COUNTRIES	1.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.6%	0.1%	0.1%	0.0%

Table 17: Retail Prices

Monthly movements	1992	1993	1994	1995	1996	1997	1998
January	28.4	15.6	22.0	3.2	0.3	3.9	0.7
February	46.0	32.5	6.8	0.2	0.0	-0.4	0.4
March	37.6	8.5	2.4	1.6	0.0	-0.4	-0.4
April	86.1	3.4	2.4	0.6	-0.7	-2.1	-1.5
May	72.4	8.0	1.6	-0.9	-1.1	-0.4	0.4
June	17.0	-1.6	2.3	-1.7	-0.4	0.0	-1.7
July	8.3	7.7	-0.6	0.0	-0.6	0.3	-0.7
August	6.6	9.5	0.6	0.2	-0.7	0.7	-0.4
September	16.0	6.5	1.8	0.7	0.3	0.1	-0.1
October	21.0	12.1	2.0	3.0	2.6	2.4	2.3
November	10.0	21.1	2.2	1.6	0.7	0.9	0.1
December	17.5	13.5	2.9	0.5	-0.1	-0.4	-0.1
I Quarter	158.0	66.2	33.4	5.1	0.3	3.0	0.8
II Quarter	275.4	10.7	6.4	-2.1	-2.2	-2.4	-2.7
III Quarter	33.9	25.6	1.8	0.9	-1.1	1.0	-1.3
IV Quarter	56.4	42.6	7.3	5.2	3.3	3.0	2.3
New annual increase	1925.2	229.6	55.4	9.2	0.2	4.5	-1.0
Average monthly increase	28.5	10.0	2.2	0.5	0.0	0.1	-0.2

Table 18: Total Investments in Fixed Assets by Technical Nature (in Million Denars)

Year	Total	Construction work	Equipment, including installation	Other
1990	91.0	62.6	26.0	2.4
1991	178.9	111.9	60.0	7.0
1992	2285.7	1483.8	720.0	81.9
1993	9878.3	6337.8	3147.2	393.3
1994	19636.9	12158.3	7057.1	421.6
1995	24704.2	16892.7	7217.8	593.7
1996	26484.8	17536.4	7882.9	1065.4
1997 ¹	27810.8	18018.1	9121.7	671

¹ Preliminary data

Table 19: Balance of Payments (in US\$)

	1993	1994	1995	1996	1997
Exports of goods and services	1139	1258	1390	1301	1329
Imports of goods and services	1250	1598	1810	1773	1862
Balance of goods and services	-111	-340	-420	-472	-533
Other income (net)	-57	-47	-29	-30	-34
Balance on goods, services and income	-168	-387	-449	-502	-567
Private transfers (net)	155	185	206	161	283
Official transfers (net)	28	44	27	52	7
Current balance	15	-158	-216	-289	-277
Capital transactions (net)	0	30	2	0	0
Financial transactions (net)	-112	26	205	270	306
Direct investments (net)	0	24	9	11	16
Portfolio investments (net)	0	0	3	0	2
Other investments (net)	-53	43	294	250	323
Official reserves	-59	-41	-101	8	-35
Net errors and omissions	97	102	10	19	-30

Table 20

Exports and Imports of Goods by Intended Use of Product (in Million US\$)

	1994	1995	1996	1997	1998 ¹⁾
1. EXPORT TOTAL	1086	1204	1147	1237	1322
- Production materials	548	653	568	650	646
- Capital goods	56	50	38	42	53
- Consumer goods	440	446	540	543	622
- Unknown	42	55	1	1	1
2. IMPORT TOTAL	1484	1719	1627	1778	1913
- Production materials	812	990	905	1088	1242
- Capital goods	195	185	218	188	247
- Consumer goods	469	527	493	492	412
- Unknown	8	17	11	11	12
3. EXPORT/IMPORT	73.2%	70.0%	70.1%	69.6%	69.1%

1) Preliminary data

ANNEX II

Appendix I: List of Customs Quotas of Goods that are Imported in the Republic of Macedonia from the Republic of Croatia for 1999

Tariff number	Name of the goods	Customs quotas for the first term of 1999 in tons
1	2	3
0207 12 00 00	Home hen's meat, uncut, frozen	350
0207 14 00 00	Home hen's meat, parts, frozen	250
0210	Meat and meat eatable products and other slaughterhouses products, salted, in brine, dried or smoked	100
0302 69 00 10 0301 93 00 00	Sweet water fish, fresh or cooled	150
0401 20 00 10	Milk and cream, with fat content over 1 per cent to 6 per cent on mass	300
0401 30 00 10	Cream, with fat content over 6 per cent on mass	50
0402 21	Milk in powder, without added sugar or other sugars for sweetening	5
0403 10 91 00	Yoghurt, aromatized or with added fruits, nut fruits or cocoa, other	75
0403 90	Liquid sour milk, sour milk, cream, kefir and other fermented or sobered milk, cream and other	150
0405 10	Butter	25
0406 30 00 00	Cheese melted	75
0406 90 00 90	Other cheese, other	75
0701 90	Potato, fresh or cooled	-
1601	Sausages and similar meat products, from other eatable slaughterhouse products or from blood,	200
1602	Other prepared or caned meat products, from other slaughterhouses products or from blood,	500
1604	Prepared or caned fish, except tar.no.160430 00 00-kaviar	750
1704 90	Products from sugar, without cocoa, other	80
1806	Chocolate and other food products that contain cocoa	200
1901 10 00 00	Products for feeding of children, in packing for small sale	60
1901 90	Other, malt extract	80
1905 30 00 00	Sweet biscuits, waffles and wafers	250
1905 90 00 00	Other baking products	50
2007 99 00 00	Gems, fruit jellies, marmalades, fruit purees, and fruit pastes produced by cooking, other	50
2009 19 00 00	Orange juice other	100
2009 30 00 00	Juice from other citrus fruits	50
2009 90 00 00	Mixture of juices	150
2102 10 31 00	Yeast for mixing, other	5
2103 30 00 90	Prepared mustard	20

Tariff number	Name of the goods	Customs quotas for the first term of 1999 in tons
1	2	3
2103 90 00 90	Other, mixed spices, and mixed spicing products, other	75
2104 10 00 00	Soups and thick soups and articles for those products	200
2105 00 00 00	Ice cream, and other eatable ice, with or without addition of cocoa	200
2106	Feeding products that are not mentioned or in listed elsewhere (feeding for breast feeding babies, dietetic products)	250
2202 90 00 00	Other non alcoholic drinks, other	150
2208 20 00 00	Alcohol drinks, produced with distillation of wine, pulps or husks, from grapes (cognac, armagnac, brandy)	400
2209	Vinegar and substitute for vinegar produced from vinegar acid	250
2401 10	Tobacco, with root hair	1.250

Appendix 2: List of Customs Quotas of Goods that are imported in the
Republic of Macedonia from the Republic of Slovenia for 1999

		First term	Second term
1	2	3	4
Home hen's meat, frozen	2,000	1,000	1,000
Home hen's meat, cut, frozen	1,500	750	750
Turkeys	200	100	100
Chicken liver, frozen	150	75	75
Other (pork)	100	50	50
Milk, with fat content over 1 per cent to 6 per cent on mass	3,000	1,500	1,500
Milk in powder	50	25	25
Butter	100	50	50
Different types of cheese (Gauda, ajdamer, trappist)	50	25	25
Potato (seeds)	200	200	
Beef fat for industrial purposes	300	150	150
Sausages (long lasting or semi lasting) and other products	1,500	750	750
Other prepared or caned product	500	250	250
Sardines, sardelles, papallines	400	200	200
Candies	100	40	60
Chocolate and other food products that contain cocoa	300	120	180
Sweet biscuits, waffles and wafers	200	80	120
Other (salted biscuits)	150	75	75
Juice from other fruits and vegetables	600	300	300
Mustard	200	100	100
Products for feeding of fish progeny	500	250	250
Cigarettes that contain tobacco, with root hair	200	100	100

Appendix 3a: Export of Goods from the Republic of Macedonia in
Federal Republic of Yugoslavia that are on Quantitative Restrictions in 1999

Tariff number or sign	Name of the goods	Quantitative restriction for 1999
Agricultural Products		
1001 90 00 30	Wheat and barley	0
1001 90 00 50		0
1001 90 00 90		0
1101 00 00 00	Flour from wheat or barley	0
1701 12 00 00	Sugar from sugar beet	0
1701 99 10 00		0
1512 11 00 00	Sunflower oil	0
1512 19 00 00		0
2309 90 00 11	Livestock food	0
2309 90 00 19		0
2309 90 00 20		0
2309 90 00 90		0
Industrial Products		
2710 00 00 10 to 2710 00 00 49	Fuels	0 ²⁾
4403 91 00 00	Walnut blocks	0

Appendix 3b: Import of Goods from the Federal Republic of Yugoslavia to the Republic of
Macedonia that are on Quantitative Restrictions in 1999

Tariff number or sign	Name of the goods	Quantitative restriction for 1999 in tons	1 st term	2 nd term II
Agricultural products				
0203	Pork meat	2,000	800	1,200
0210	Meat dried or smoked	300	120	180
0401	Milk and cream	1,500	600	900
0406	Cheese and soft cheese	300	120	180
1001 90 00 30 1001 90 00 50 1001 90 00 90	Wheat and barley	50,000 ¹⁾	20,000	30,000
1101 00 00 00	Flour from wheat or barley	5,000	2,000	3,000
1512 19 00 00	Refined sunflower oil	6,000 ¹⁾	2,500	3,500
1601	Meat delicatessen	1,500	600	900
1701 99 10 00	Refined sugar from sugar beet	0 ¹⁾		
2402 20 00 00	Cigarettes	250	100	150

Tariff number or sign	Name of the goods	Quantitative restriction for 1999 in tons	1 st term	2 nd term II
Industrial Products				
2710 00 00 11 do 2710 00 00 49	Motor fuels	0 ⁽²⁾		
2711 12 00 10 2711 13 00 10	Mixture of propane and butane	0 ⁽²⁾ 0 ⁽²⁾		
4012 10 90 00	Protective auto tires gumi	0		
4012 20 90 00	Used auto tires	0		
7208 36 00 00 7208 37 7208 38 7208 39	HRT, $\sigma > 600\text{mm}$, $\delta > 10\text{m}$ m HRT, $\sigma > 600\text{mm}$, $4.75 < \delta < 10\text{mm}$ HRT, $\sigma > 600\text{mm}$ $3 < \delta < 4.75\text{mm}$ HRT, $\sigma > 600\text{mm}$, $\delta < 3\text{mm}$	60,000	30,000	30,000
7211 14 7211 19	HRT, $\sigma > 600\text{mm}$, $\delta > 4.75\text{mm}$ HRT, $\sigma > 600\text{mm}$, $\delta > 4.75\text{mm}$	0		
7208 51 7208 52 7208 53 7208 54	HRS, $\delta > 10$ HRS, $4.75 < \delta < 10$ HRS, $3 < \delta < 4.75$ HRS, $\delta < 3$	0		
7209 15 00 00 7209 16 00 00 7209 17 00 00 7209 18 00 00	CRT, $\sigma > 600\text{mm}$, $\delta > 3\text{mm}$ CRT, $\sigma > 600\text{mm}$, $1 < \delta < 3\text{mm}$ CRT, $\sigma > 600\text{mm}$, $0.5 < \delta <$ mm CRT, $\sigma > 600\text{mm}$, $\delta < 0.5\text{mm}$	0 400 400 0	160 160	240 240
7209 25 00 00 7209 26 00 00 7209 27 00 00 7209 28 00 00	CRS, $\sigma > 600\text{mm}$, $\delta < 3\text{mm}$ CRS, $\sigma > 600\text{mm}$, $1 < \delta < 3\text{mm}$ CRS, $\sigma > 600\text{mm}$, $0.5 < \delta < 1\text{mm}$ CRS, $\sigma > 600\text{mm}$, $\delta < 0.5\text{mm}$	0 400 400 0	160 160	240 240
7210 41 7210 49	Zinc sheets corrugated, Zinc sheets non corrugated	0 400	160	240
7211 29 00 00 7211 23 00 00	CRT i CRS, $\sigma < 600\text{mm}$ CRT i CRS, $\sigma < 600\text{mm}$ i do 0.25 per cent S	0 0		

Tariff number or sign	Name of the goods	Quantitative restriction for 1999 in tons	1 st term	2 nd term II
7212 40	Plastic coated	0		
7305	Welded pipes	2,100	800	1,300
7306	Welded pipes and profiles	2,100	800	1,300

Abbreviations: "σ" - width, "δ" - thickness, hot rolled track (HRT), hot rolled sheets (HRS), cold rolled track (CRT), cold rolled sheets (CRS)

- 1) with possibility for increasing of the quantities of goods, during the year in both countries, depending of the balance opportunities;
- 2) re-evaluation of the quantities of goods coming from both countries, in the frames of the balance opportunities.
