



**PERMANENT MISSION OF THE  
REPUBLIC OF MACEDONIA  
to United Nations Office and other International Organizations in Geneva**

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UNECE  
6<sup>th</sup> Session of the Committee on Trade  
**STATEMENT OF THE REPUBLIC OF MACEDONIA**  
Mr. Dusko Uzunovski  
Chargé d'Affaires

*GENEVA, 10 February 2014,*

Mr. Chairperson,  
Excellencies,  
Distinguished colleagues,

I would like to express my pleasure in participating to the 6<sup>th</sup> Session of the Committee on Trade and at the outset I would like to congratulate you Mr. President your election for the Chair, as well of the Vice Chairs of the Committee.

In particular, I would like to extend our appreciation for convening the High-level segment on increasing the participation of transition economies in international trade and providing the opportunity to present our undertakings in the area of eliminating trade barriers.

My statement will be focused on undertakings of the Government of the Republic of Macedonia two important issues: First, I will give an overview of the recent economic performance and achievements; second I will inform on the important reforms introduced in the country in order overcoming the trade barriers.

### Recent economic performance and achievements

1. Just briefly, Republic of Macedonia is a member to the WTO, since 2003. Currently, Chair of the CEFTA.
2. In order further integration in the multilateral trade systems and world economy, along the SSA with the EU, Republic of Macedonia has signed free trade agreements with 40 countries so far. The country's total trade in goods and services remained largely unchanged, at about 128% of GDP.
3. Over the past years of global financial and economic crisis Macedonian monetary policy keeps playing an essential and challenging role to have sustainable macroeconomic stability and to support the economic situation in the country. Macedonian economy started to recover in the second half of 2012. Positive trends continued in 2013, as the GDP economic growth shows to be 2.9 % in the first quarter and 3.9 % in the second quarter of 2013.
4. Positive trend of GDP growth is registered mostly in all sectors, therefore the construction activities contributed at most in the total value of economic growth, and the real growth rate is 34.5%. Services sector grew by 1.9%, while the growth in agriculture is 0.6%. Industrial production growth is 4.1%...\

In the recent years, the Government of the Republic of Macedonia provides great efforts to attract investors in the country. According to the last data in the first half of 2013, the FDI inflows have increased by 44% compared to the same period of 2012, amounting 101.4 million Euros. In the first half of 2013, FDI inflows picked up again, reaching 2.7%

of GDP. The investments contributed to the acceleration of the economic growth of the country by creating new jobs, increasing productivity and competition, industrial specialization, the transfer of sophisticated technology, faster access to the global market, transfer of management skills, introduction of innovations, as well as higher integration of the country in the international trade.

Mr. Chairperson, Now I would like to turn to the

#### Important reforms introduced in the country

5. In time of globalisation and higher competitive pressure, the economic policy of Macedonia in the recent years is focused on implementing reforms by providing higher level of environment conditions and standards for the business sector and the business climate. The competitiveness as a process is considered as one of the priority in the Macedonian economy, which implements among the others to higher export and import trade flows.

6. Over the last few years, a comprehensive regulatory reform has been implemented by introducing Regulatory Guillotine and Regulatory Impact Assessment – (RIA) for simplification of procedures for doing business and trade. These reforms have also led to major improvements in the regulatory framework and have significantly eased the cost of and barriers to doing business in the Republic of Macedonia.

As regards the regulatory guillotine, at present the implementation of the measures from the second and third phase is ongoing, aimed at achieving elimination of numerous administrative barriers, as well as simplification of a huge number of procedures for issuing authorizations and licenses for doing business.

After the analyses and assessment of the received proposals from SMEs, in June 2012 the Government adopted an Action plan for implementation of the fourth phase of Regulatory guillotine named “Advantages for the small” .

The World Economic Forum Report 2013/2014 on Global Competitiveness Index, Macedonia has improved its rating for 7 positions up and is ranked at 73rd place (out of 148 economies).

7. The establishing of the electronic One-Stop-Shop system of import and export licenses – EXIM, at the end of 2008, a substantial progress is provided in customs operation, by creating free movement of goods. The special internet portal enables the economic operators to submit request for obtaining an import or export licenses as issued by relevant state institutions. Also, the importers can electronically submit applications for tariff quotas distribution available pursuant to the free trade agreements based on “first come first served” principle.

8. The Government policies and measures stay focused on improvement of the business climate, continuing regulatory reforms for simplification of procedures for doing business, eliminating barriers, improvement of the dialogue with the business community, diminishing the costs and other initiatives in order to create equal conditions for economic development and advancement of the private sector development.

9. The Government of the Republic of Macedonia implements a number of trade and trade-related measures to help the economy to overcome the crisis. Measures that facilitate trade and trade flows have been introduced in particular reduction and elimination of customs duties on more than 700 tariff lines such as manufacturer imputes machinery and equipment in metal processing industry, textile, agriculture etc.

10. The investments contributed to the acceleration of the economic growth of the country by creating new jobs, increasing productivity and competition, industrial specialization, the transfer of sophisticated technology, faster access to the global market, transfer of management skills, introduction of innovations, as well as higher integration of the country in the international trade. Taxation is an attractive feature of the investment climate in Macedonia.

As result of the aforementioned measures, the latest Report of World Bank and IFC, has ranked Republic of Macedonia for the fourth time among the top ten economies in the world where business and regulatory environment have been the most improved in 2013-2014, ranking on 25<sup>th</sup> position.

Thank you Mr. Chairpeson,