

U.S. Embassy - Skopje

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GERMAN COMPANY BEST BIDDER FOR NEW ID CARDS

German company "Giesecke & Devrient" (G&D) was selected the best bidder for designing new IDs in Macedonia. G&D offered a price of Euro 23.45 million, asking an advance of 20 percent, which is in accordance with the Law on Public Procurement. G&D, a globally operating technology group established in 1852, is a leading supplier of smart cards and cutting-edge system solutions in the fields of telecommunications, electronic payments, transportation, health care, identity, customer loyalty, pay-TV, multimedia and Internet security.

THIRD ANNUAL NATIONAL SUMMIT ON COMPETITIVENESS

Donato Chiarini, Ambassador of the European Commission to Macedonia said at the Third Annual National Summit on Competitiveness that the country does not show any improvement in competitiveness as it is ranked 85th, or 35 positions below the lowest ranked EU member-state. The US Ambassador to Macedonia Gillian Milovanovic said that accelerating the economic growth requires close partnership between the civil society, private sector and the government, with the private sector leading the way.

ING PLANS TO PURCHASE POSTENSKA BANKA

ING is closer to signing agreement for purchasing Postenska Banka, which will happen in December at the latest, Macedonian Prime Minister Vlado Buckovski announced in Amsterdam during his two-day visit to the Netherlands. He added that 7 the negotiations for the 66 percent that Eurostandard Bank owns in Postenska Banka will be concluded first, while the talks on the 33 percent owned by the GOM will continue.

MACEDONIA AMONG THE MOST CORRUPT COUNTRIES

In its 2005 Corruption Perception Index, Transparency International ranked Macedonia 103rd out of 159 countries surveyed this year. On a perceptions scale of 10 to 0 (10 indicating most honest and 0 most corrupt), Macedonia's score is 2.7. In 2004, Macedonia was ranked 97th with an identical index of 2,7. The country is almost at the bottom compared with other countries in Southeast Europe.

MACEDONIA AND SERBIA & MONTENEGRO SIGNED FREE TRADE AGREEMENT

Macedonian Minister of Economy Fatmir Besimi and Serbia & Montenegro Minister of International Economic Relations Predrag Ivanovic signed a Free Trade Agreement that fully liberalizes the trade between the two countries. The agreement is expected to enter into force on January 1, 2006, preceded by its ratification in countries' parliaments. "The agreement provides equal conditions for businesses of both countries and is a foundation for attracting foreign investments, providing higher quality and lower prices for citizens, thus stimulating competition", Ivanovic said. Minister Besimi emphasized that the agreement was a signal that the region was ready to accept commitments deriving from integration processes.

INDUSTRIAL PRODUCTION IN SEPTEMBER GROWING

The industrial production in Macedonia in September 2005 increased by 10.5 percent on a monthly basis and by 9.4 percent compared to September 2004. In the first three quarters of 2005 it was by 8.2 percent higher than in the same period of the previous year.

WORLD BANK APPROVES PDPL ARRANGEMENT FOR MACEDONIA

On October 27, the World Bank Board of Directors has approved Macedonia's first Programmatic Development Policy Loan (PDPL) worth US\$ 30 million. PDPL aims at supporting the structural reforms in Macedonia, including job creation, improving the business environment, reforming the labor market and the judiciary, in line with preparations for the EU membership. The loan is approved under preferential terms of the International Bank for Reconstruction and Development, i.e. LIBOR+0.75 percent interest rate, repayment term of 17 years with a grace period of five years.

PM BUCKOVSKI CALLS EMIGRANTS TO INVEST IN MACEDONIA

As part of his visit to the US from October 27-29, at the meeting with the Macedonian emigrants in Detroit, Michigan, Macedonian Prime Minister Vlado Buckovski has called them to invest in Macedonia. He emphasized that Macedonia has passed the political and security crisis, and now there is a need of economic development and the diaspora should invest and contribute to faster economic growth. The emigrants told Buckovski that improvement of legislation, fighting corruption, more efficient institutions and guarantees for their investments were needed for them to invest in Macedonia.