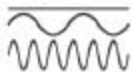


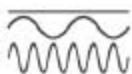
General economic and energy information's for Republic of Macedonia

Partnership program
ERC, R. Macedonia-PSB, Vermont
Skopje, March 20-26, 2004



General information's for Republic of Macedonia

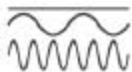
- Location: in the central part of the Balkan Peninsula. On the west borders with Albania, on the east with Bulgaria, with Greece on south and on north with Montenegro and Serbia.
- Capital city: Skopje (around 500.000 inhabitants)
- Total area: 25.713 km², land locked mountainous territory with deep valleys (around 80 %)
- Population: 2,2 million inhabitants
- Clime: continental with hot and dry summers and short and cold winter



General information's

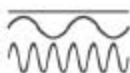
- 2 August 1944 ASNOM -became federal unit of Federal Jugoslavija
- Independence: 8 September 1991
- Political system: multi-party parliamentary democracy
- Separation of the powers:
 - Legislative branch: Unicameral Assembly with 120 seats. Members are elected by popular vote to serve 4 years terms
 - Executive Branch: President of the Republic of Macedonia and Government
 - Judicial Branch: Basic Courts ⁽²⁸⁾, Appellate Courts ⁽³⁾ and Supreme Court ⁽¹⁾
- Territorial organization: 123 municipalities and the city Skopje as special unit of local selfgovernment

2



Membership of the Republic of Macedonia in international organizations

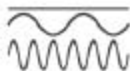
- Membership: United Nations, International Monetary Fond, International Association for development, International Corporation for financing, World Trade Organization, partnership for peace and others.
- 2001-Agreement for Stabilization and Association with European Union
- February 2004-submit application for status candidate for membership in the European Union



Economic information's

- Monetary independence: 26 April 1992 National Bank of Macedonia left the monetary union of the ex SFR Yugoslavia
- Goals of the monetary politic: stabile national currency
- In 1993 was published the first national currency-DENAR
- Exchange rate denar-Euro: 61 denars = 1 Euro
- Average annual rate of inflation 3,4% (1997-2002)

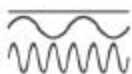
5



Economic information's for 2003

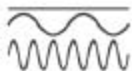
Gross domestic product (real rate of grow) 3 %
Inflation (life expenses, average) 1.2
Foreign debt 40 % of GDP
Unemployment 36,7 % from working power
Average salary 12.143 denars (around 200 Euro)
Negative current account 17 % from GDP
Export (rate of grow) 19 %
Import (rate of grow) 12.5 %
Foreign direct investments 53 (millions \$)

6



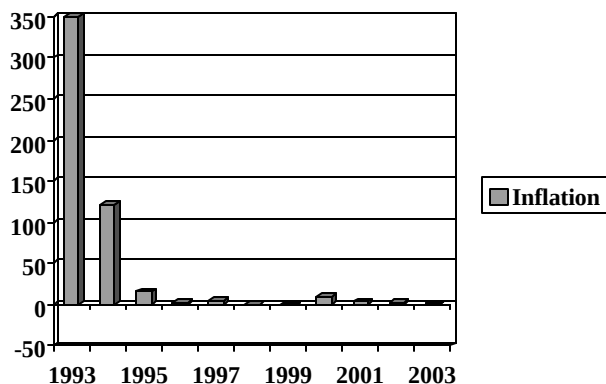
Economic forecast for 2004

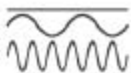
- Gross Domestic Product (real rate of grow) 4.0
- Inflation (life expenses, average) 2.8
- Negative current account 15 % from GDP
- Export (rate of grow) 9.2 %
- Import (rate of grow) 4.3 %
- Foreign debt 40 % from GDP
- Increase of the employment 3 %
- Stable exchange rate denar-Euro
- Foreign direct investments 133 (million \$)



INFLATION 1993-2003

Years	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
inflat	349.8	121.8	15.9	3.0	4.4	0.8	-1.1	10.6	3.7	1.9	1.2

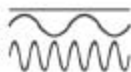
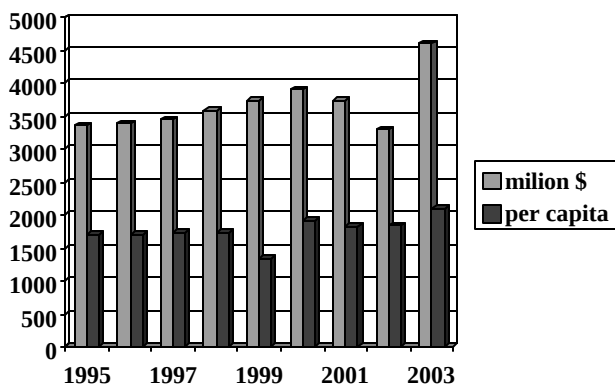




ENERGY REGULATORY COMMISSION OF THE REPUBLIC OF MACEDONIA



GDP	1995	1996	1997	1998	1999	2000	2001	2002	2003
Million \$	3351	3390	3458	3575	3730	3889	3729	3800	4604
Per capita	1705	1709	1732	1781	1848	1925	1830	1835	2092

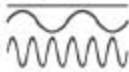


ENERGY REGULATORY COMMISSION OF THE REPUBLIC OF MACEDONIA



Energy, production, import, export and consumption in Macedonia

Energy sources	measures	1991	1995	1998	2003
Coal					
a) Production	10 ³ tons	8000	6550	7881	7133
b) Import		230	222	279	100
c) Export		150	/	/	/
d) Consum		8180	6772	8160	7233
Coke					
a) Production	10 ³ tons	/	/	/	/
b) Import		97	72.2	68	110
c) Export		/	/	/	/
d) Consum		97	72.2	68	110
Fuel wood					
a) Production	10 ³ m ³	900	955	622	650
b) Import		30	/	/	/
c) Export		/	/	/	/
d) Consum		930	955	622	650
Oil products					
a) Production	10 ³ tons	920	/	745	784
b) Import		175	745	161	160
c) Export		146	/	23	214
d) Consum		949	745	805	730
Natural gas					
a) Production	10 ⁶ m ³	/	/	/	/
b) Import		/	/	19	81.5
c) Export		/	/	/	/
d) Consum		/	/	19	81.5
Electricity					
a) Production	10 ⁶ kwh	6410	5667	6492	6272
b) Import		300	184	121	1081
c) Export		430	60	138	/
d) Consum		6180	5791	6475	7353

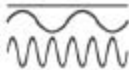


Structure of energy supplying in 2003

Struture of energy supling in 2003

	Energy sources	10 ³ PJ	% share in total consumption	Total % share
Domestic production	Lignit	54.2	48.7 %	59.74 %
	Fuel wood	7.08	6.3 %	
	Hidro	4.89	4.4 %	
	Geothermal	0.26	0.2 %	
Import	Crude oil	34.15	30.7 %	40.26 %
	Coke	3.23	2.9 %	
	Electricity	3.90	3.5 %	
	Natural gas	2.73	2.4 %	

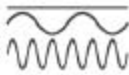
Total consumption-111.2 10³ PJ



Electricity

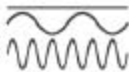
Concumption of Electricity kwh

years	1991	1995	2000	2003
Total production	6410	5667	6329	6272
Termo	5560	4849	5159	4914
Hidro	870	818	1170	1358
Consumption	6180	5791	6438	7353
Net product	230	-124	-109	-1081
Import	300	184	290	1081
Export	430	60	178	-
Network losses				204.7
Direct consumers				1605.8
Distributiv consumers				5450.6



Energy indicator for efficiency

years	Inhabitan milions	GDP Milion \$	Total consump of energy ToE	Energy Per capita (ToE/ inhabit)	Consum of electric 10 ⁶ kwh	Electricit per capita 10 ⁶ kwh/ inhabit)	Electricit intenzit 10 ⁶ Kwh/ milion\$	Energy intenzit (ToE/ milion\$)
1991	2.039	4.510	2.703	1.325	6.180	3.019	1.37	0.6
1995	1.966	3.351	2.380	1.210	5.791	2.954	1.72	0.7
2000	2.026	3.889	2.520	1.243	6.438	3.184	1.65	0.65
2003	2.2	4.604	2.656	1.207	7.353	3.342	1.59	0.57

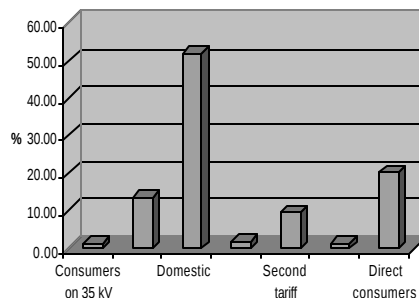


Indicators For 2000 god	WORLD	EU	RM	Comparing
1	2	3	4	
Energy consumption per capita (toe/inhabit)	1.631	3.836	1.243	1.3 World/RM 3.08 EU/RM
Electricity consumption per capita 10 ⁶ kWh/inhabit	/	6.797	3.184	2.1 EU/RM



Distribution System

	2002 [GWh]
Consumers on 35 kV	68.0
Consumers on 10 kV	701.9
Domestic	2681.7
First tariff	93.7
Second tariff	493.0
Street lighting	78.2
Total distribution	4117.1
Direct consumers	1046.3
Total	5163.4



Consumption by regions

Distribution	[GWh]	%	Distribution	[GWh]	%
Skopje	1459.7	35.45	Kavadarci	78.7	1.91
Tetovo	291.4	7.08	Negotino	58.9	1.43
Ohrid	170.2	4.14	Valandovo	18.6	0.45
Bitola	272.9	6.63	Gevgelija	94.5	2.3
Prilep	193.8	4.71	Radovis	40.0	0.97
Veles	147.7	3.59	Kocani	78.8	1.91
Kumanovo	226.9	5.51	Berovo	27.6	0.67
Stip	109.9	2.67	Delcevo	52.5	1.27
Strumica	156.9	3.81	Vinica	33.7	0.82
Gostivar	171.1	4.16	Probistip	29.9	0.73
Debar	39.6	0.96	Kratovo	13.6	0.33
Kicevo	72.8	1.77	Kr. Palanka	30.6	0.74
Struga	108.4	2.63	Sv. Nikole	42.5	1.03
Mak. Brod	11.0	0.27	Energetika	42.0	1.02
Resen	42.7	1.04			



Consumption by regions

