



PRESS RELEASE

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Best Countries for Business

#50 Macedonia

Rank-previous year 82
GDP Growth 5.1%
GDP/Capita \$8,400
Trade Balance \$0.0 bil
Population 2.1 mil
Unemployment 34.8%



Macedonia has taken the 50th place on the list of the magazine "Forbes" regarding the ability for doing business. This ranking shows that in accordance with the last year ranking Macedonia has made a leap of 32 places. The ranking of Forbes includes 121 states.

At independence in September 1991, Macedonia was the least developed of the Yugoslav Republics, producing a mere 5% of the total federal output of goods and services. The collapse of Yugoslavia ended transfer payments from the central government and eliminated advantages from inclusion in a de facto free trade area. An absence of infrastructure, UN sanctions on the downsized Yugoslavia, and a Greek economic embargo over a dispute about the country's constitutional name and flag hindered economic growth until 1996. GDP subsequently rose each year through 2000. In 2001, during a civil conflict, the economy shrank 4.5% because of decreased trade, intermittent border closures, increased deficit spending on security needs, and investor uncertainty. Growth barely recovered in 2002 to 0.9%, then averaged 4% per year during 2003-07, expanding to 5.1% in 2007.



Macedonia has maintained macroeconomic stability with low inflation, but it has so far lagged the region in attracting foreign investment and creating jobs, despite making extensive fiscal and business sector reforms. Official unemployment remains high at nearly 34,8%, but may be overstated based on the existence of an extensive gray market, estimated to be more than 20 percent of GDP, that is not captured by official statistics.

The worst place in the rankings Macedonia has in the field of innovations 86th place, whereas in the field of monetary freedom is among the first ten. In the trade freedom category Macedonia is on the 39th place, whereas in the part of investor protection it's on the 62nd place and in the personal freedom category 64th place. In the fight against corruption is on the 67th place. The best country for business is Denmark which is ranked before Ireland and Finland. The best ranked country on the Balkan is Romania which on the 40th place, afterwards turkey, Croatia, Bulgaria, Albania, Bosnia and Herzegovina.