

Economic Views of the EU Integration Process of Macedonia

Agim Mamuti

International University of Sarajevo, Sarajevo, Bosnia and Herzegovina
agim.mamuti@yahoo.com, amamuti@ius.edu.ba

The purpose of this research is to provide a general overview of the accession process with a special reference to the economic integration and the challenges of the Republic of Macedonia in the road of joining the European Union.

The Stabilization and Association Agreement (SAA) between the Republic of Macedonia and the EU was signed in April 2001 and entered into force in April 2004. The Council adopted the Accession Partnership for the country, including key priorities for reform, in February 2008. In October 2009, the Commission recommended to the Council to open negotiations with the country, as well as to move to the second phase of SAA Implementation. These recommendations were reiterated in 2010. The Council has not yet concluded its deliberations on the Commission's proposals. Visa liberalization for citizens travelling to the Schengen area has been in force since 19 December 2009.

The decision of the European Council of December 17, 2005 granting the candidate status for EU membership is an event of historical importance for the Republic of Macedonia as deserved recognition for the efforts and results achieved in the way of achieving the strategic goal - EU membership.

During the last years, the macroeconomic stability of the country has been maintained despite the continued global economic turbulence. Market entry and exit procedures have been improved and the rule of law has been strengthened. However, structural imbalances on the labor market are still very pronounced and the business environment is still suffering from slow judiciary, and a number of weak and not fully independent regulatory and supervisory institutions. The exchange rate against the euro has remained stable in nominal terms. Price competitiveness has remained largely unchanged. Trade integration with the EU is well advanced, but exports remain concentrated on a few price-sensitive products.

Keywords: Economic Criteria, Market Economy, EU, Macedonia, Western Balkan