



**Mr. Zoran Danevski,**  
Chairman of Agro-business chamber, part of  
Macedonian Chambers of Commerce, General  
Manager of AK "Dzumajlija" JSC-Lozovo

*Agro-food sector is one of the main sectors of the Macedonian national economy. Agriculture is one of the most prolific branches that can bring economic growth to our country and competitive domestic economy regarding the other countries. This branch is of enormous significance for the national economy, considering the fact that the food is necessary for the existence of a nation. Additional confirmations for this are the funds from the Budget that are given by the EU for mutual agriculture policy.*

*The participation of the agriculture in GDP is with average value of 10,6% in the last decade, which is second best right after the industry. However, if we add the percentage of the participation of the food and tobacco industry (5,4%) then the agro-complex obtains considerably greater meaning for the economy of the Republic of Macedonia. The employment rate in agriculture (17,6%), the employment rate in the tobacco and the food industry (6%) have great share in the total employment rate.*

*On other hand, the available statistics for the food sector shows decrease in the last few years. The size of the export, the income and the participation of the total export of food products are decreasing. Agro-food sector is faced with increased competition on both, the domestic and the foreign markets. In the year 2000, the Republic of Macedonia imported goods of about 143 million USD, and the import of the food, especially from the EU countries, in the total supply of the domestic market is continuously growing. However the modest results in the last few years can't overshadow the existent potential for improving the international competitiveness of this sector in near future.*

*Besides the fact that this sector doesn't shows trend of increase on macroeconomic plan, it has its own advantages such as:*

- ♦ *The number of the active organizations in the agro-food sector is continuously growing;*
- ♦ *The existent potential for export isn't fully utilized;*
- ♦ *The international markets shows growing interest for specific groups of food products, from which the agricultural products and the other related branches have indirect benefit.*

*Improvement of the organization and the consolidation of the production becomes critical question for the Macedonian farmers together with the marketing, because now the farmers don't have direct access to credible information for business opportunities, price and market information, proper marketing channels, and altogether healthy mechanisms for setting-up the prices. One of the big problems of the Macedonian agriculture is also the inconsistency of the production, because the farmers have difficulties to produce stable and standardized product for the clients.*

*If we want to make benefit from the trade liberalization, and especially from the current process of integration in EU, the Macedonian agro-food sector must strengthen the international competitiveness by focusing towards:*

- ♦ *Increased assortment of products with added value;*
- ♦ *Increased productivity and quality of the product;*
- ♦ *And better managerial and marketing abilities.*

*The quality of the food products becomes distinct mark for competition on the world market. In order to secure quality of the final product, we have to pay attention to the complete process of production. This demand for quality of the food today is not a free choice. The inquires of the consumers for quality food and the ultimatums regarding the food safety enforces the agricultural producers and the food industry to implement system for quality control as a strategic demand in the production, simultaneously increasing the awareness of the producers that the system for food quality control is based on the preventive production, and not on correction of the shortcomings.*

*As a president of Agro-business Chamber, part of Macedonian Chambers of Commerce and General Manager to one of the largest Agro-complexes in our country AK "Dzumajlija" AD Lozovo, I would like to stress out that if we want to make the Agro-business one level higher in relation to the other economic branches, we need to increase the national awareness for the meaning of this sector and existence of business environment that will stimulate the development. This means to create appropriate development policy that will give results with concrete actions, i.e. existence of a vision, determination and initiative for acting. On this field we have taken a lot of activities in the past period, but the success, among other things, will also depend on the collaboration and the coordination between the Government, the business community and the local authorities.*

*We're aware about the hard work and the tasks that are in front of us, but with their completion, I'm convinced that we'll achieve real progress that will have positive effect on the Agro-business in the Republic of Macedonia, getting the Macedonian farmer one step closer to "the concept" of farmer in EU.*

**Zoran Danevski**