



Demographic changes in rural area in Republic of Macedonia

**Ministry of Agriculture, Forestry
and Water Economy**

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Phases of development of agriculture - processing sector

After the independence, political support for development of agriculture passed through different phases:

- **Phase of early independent 1990-1994.**
- **Phase of structural changes 1994-2002.**
- **Phase of trade liberalization and again (ad hoc) implementing elements of price-market policy 2002-2007.**
- **Phase of reforms, support for agriculture producing sector and adaptation into EU 2007-2011.**

Phase of early independent 1990-1994

- Serious problems due closing of the traditional markets and blockaded to borders (trade with agricultural products from 10-12 mil. Euro import and export (1994/1995) but with balance difference of -2 mil. Euro.
- The some volume and type of support like in Ex Yugoslavia.
- Wheat, maize, sugar beat, oil rape, tobacco, cow milk, heifers and lambs were supported through combination of: intervene guaranteed prices and premium by quantity purchased product.
- Subsidies for important inputs (seeds, fertilizers and fuel).
- Export stimulations for fruit and vegetable, wines and lamb.
- Credits for working capital with low interest rate.
- Administrative control of maximal wholesale and small sale prices of important edibles.

Phase of structural changes 1994-2002

- Like a results of structural and macro-economics reforms for stabilization suggested by the international financial institutions WB and International Monetary Fund in 1994:
 1. Drastically turnabout in the intensities of political supports - cancelation of the measures for price-markets support in the sector.
 2. In 1995 the state direct financial support was stopped completely.
 3. Liquidation of holdings which worked with losses.
 4. Changing the structure of Agricultural holdings and decreasing of the capacity and their transformation of ownership structure. There were 183 new holdings from which 123 were agriculture producers only, 36 agriculture processing and 24 services.
 5. Liberalization of trade and increasing of the pressure of export products.

Phase of structural changes 1994-2002

Transformation of Agricultural combine

	Before the independents - 1990	Beginning of transformation - 1997	In the process of privatization - 2003	After transformation - 2007
Number of agriculture holdings	157 (of which 35 agro-combine)	157 (of which 35 agro-combine)	444	297
Arable land in ha.	200.000	167.000	113.000	69.887
Employees	30.312	26.373	20.521	5.544

Phase of trade liberalization and again (ad hoc) implementing elements of price-market policy 2002-2007

- Reaction of negative effects which arise from macro economics reforms.
- Implementation of new agricultural policies primary in the part of financial support.
- Establishing of separate instrument for support to the agriculture - Fund for agriculture in 2002 (closed down in 2004).
- Subsidies for produced quantities of wine, vegetable and milk (given through Fund for agriculture) and export subsidies for lambs (given through MAWFE in 2001 and 2002) and limited intervention of the Bureau for stock reserve for purchasing of market surpluses - wheat and tobacco.
- From 2004 are introduced subsidies per ha and heads and also through CARDS technical support for first time are introduced measures for rural development.

Phase of reforms, support for agriculture producing sector and adaptation into EU 2007-2011

- **Structure in 2007:** 192.378 (226.000 in 1994) agricultural holdings with area of 321.814ha (used agricultural land 264.339ha). The biggest percent, 43% are with size to 0.5ha, 90% of Macedonian agricultural holdings are with size to 3ha. Less than 1ha are 63% (54% in 1994) / above 3ha are 11% (14% in 1994)/1,4ha is the average size per agriculture holding (2,6ha in1994).
- **Priorities of the policy for the period 2007-2010:** Prevention of the trends of decreasing of agriculture processing sector and its recovery in order to achieve positive results with policies and instruments which gradually are adopting to the practices of CAP and according to the dynamics and method of implementation which starts from the national interests of the sector.
- **Basic elements of organized policy approach:**
 1. For first time precise National strategy for agriculture and rural development 2007 - 2013 in which are included define aims with activities for their implementation which in the most part will be implemented through annual programs.

Map of municipalities and statistical regions



Map of municipalities and statistical regions

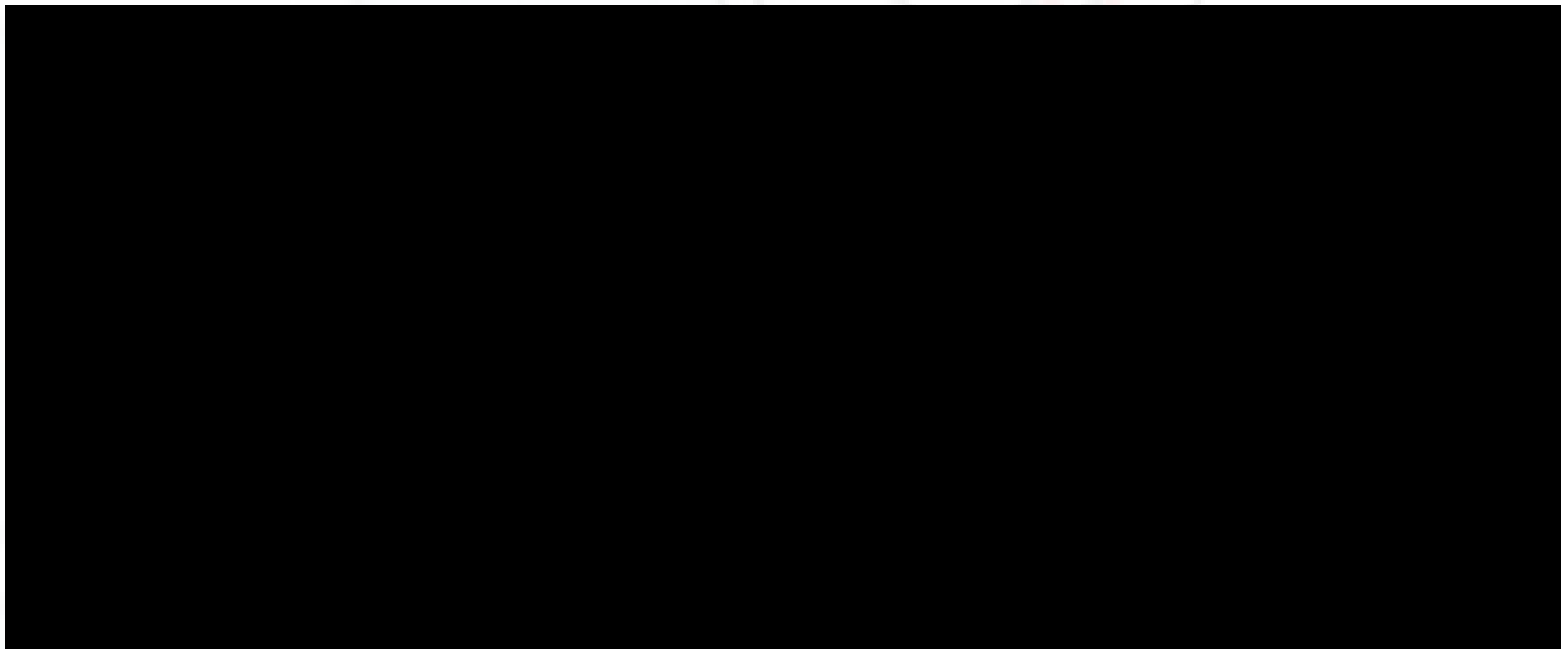


Characteristic of rural areas

- No clean definition of rural areas as well as classification based on the population density in the Republic of Macedonia.
- 2002 - SSO, UNDP and Ministry of local self government carried out social-economic mapping of the disparities among Municipalities in Macedonia which delineated 6 zones based of population concentration:
 - Weak concentration zone - up to 50 inhabitants per sq.km
 - Medium concentration zone - 51 - 100 inhabitants per sq. km
 - Overpopulated zone - 101 - 150 inhabitants per sq. km
 - Significantly overpopulated zone - 151 - 500 inhabitants per sq. km
 - Very significantly overpopulated zone - 501 - 1000 inhabitants per sq. km
 - Massively overpopulated zone - over 1000 inhabitants per sq. km

Population Development within different regions

In 2002, almost half (61) of the municipalities belong to the week concentration zone, 26 municipalities had medium concentration, 7 were overpopulated, 19 were significantly overpopulated, 4 were very significantly overpopulated and 6 municipalities had more than 1.000 inhabitants per sq. km.

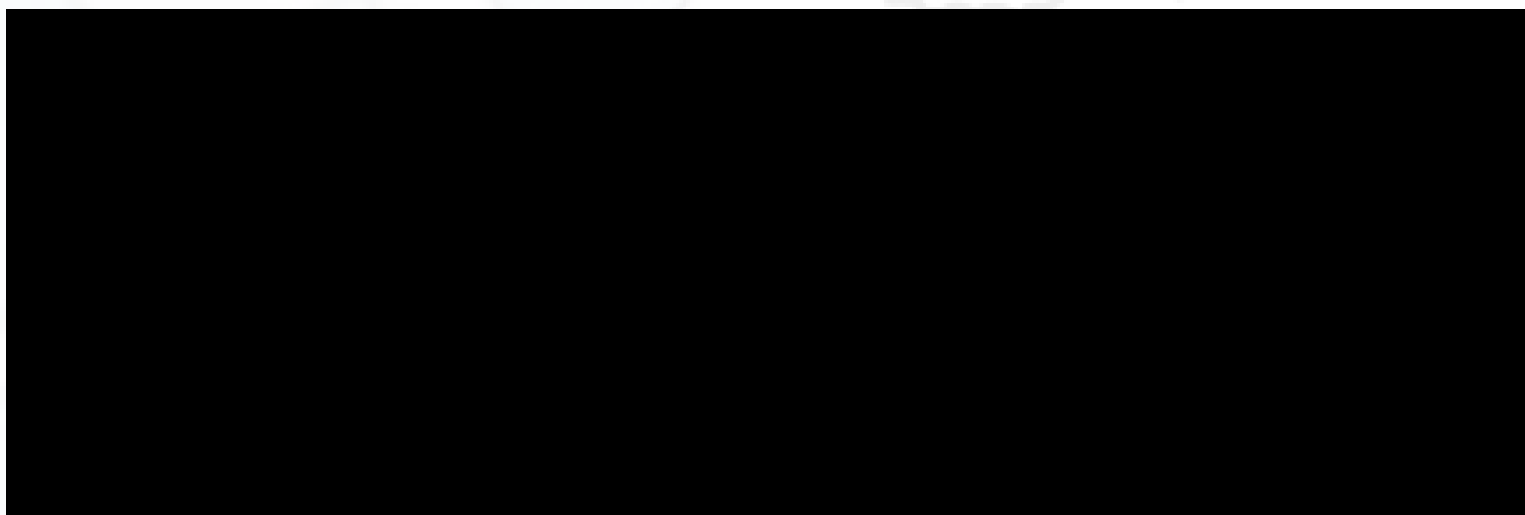


Characteristic of rural areas

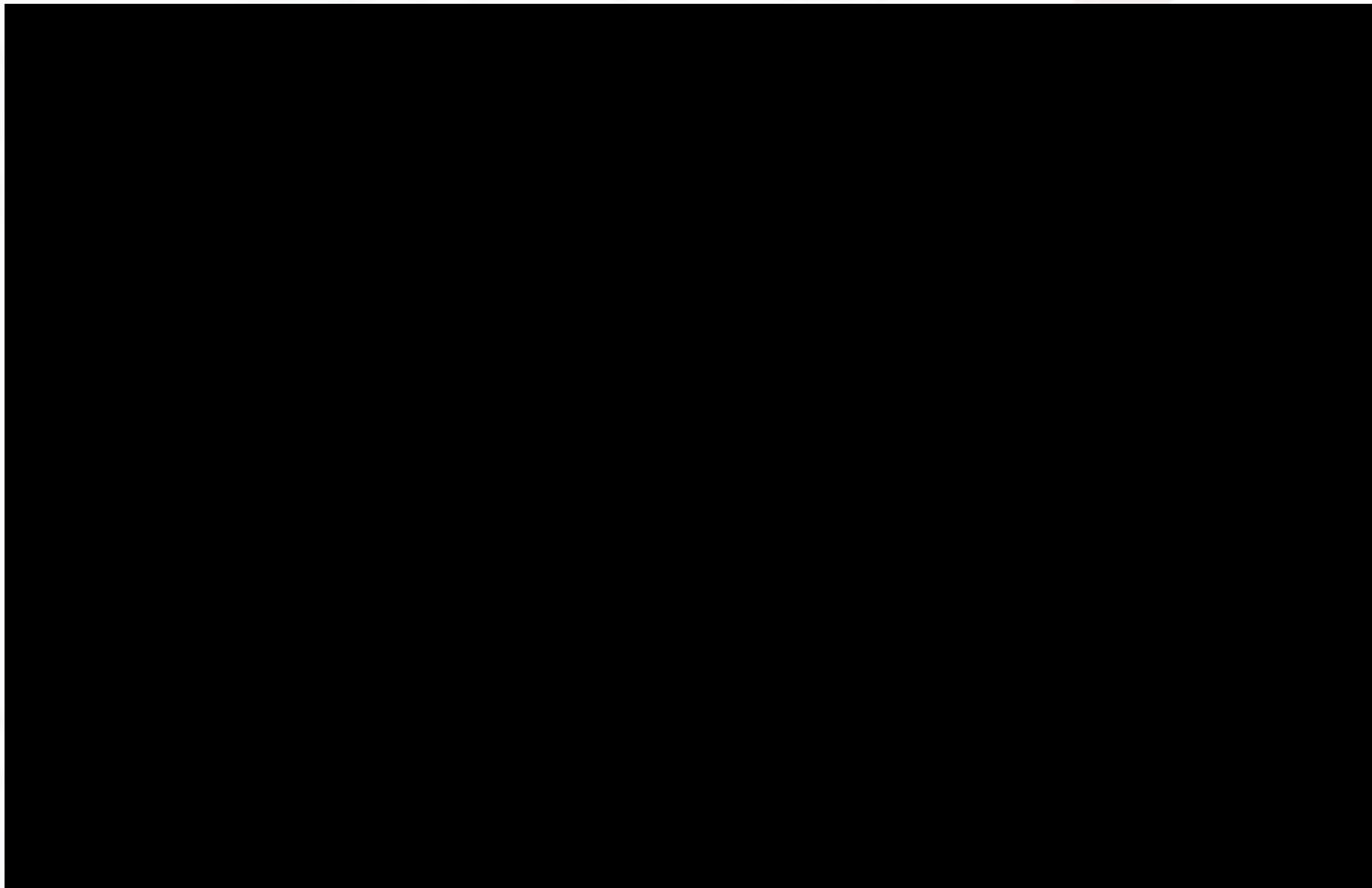
Evolution of the size of villages from 1994 to 2002

Macedonia has a total of 84 Municipalities (33 with seat in a city, 49 with seat in a village and 10 in the capital of Skopje) and 1.715 villages covering 86.7% of the national territory and hosting 43% of the total population. (2002 Census)

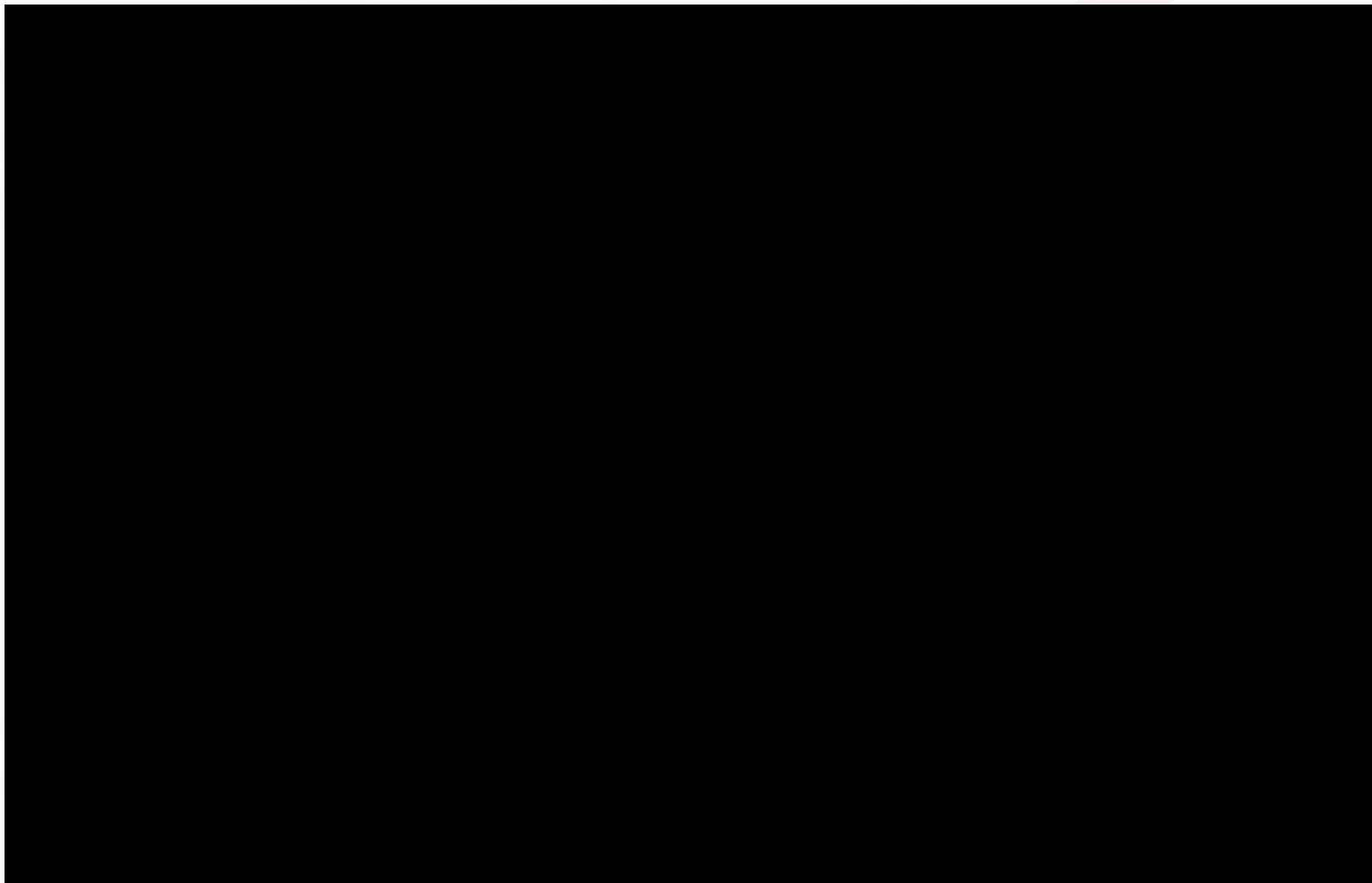
From 1994 to 2002 the percent of large villages (> 801 inhabitants) remained stable, the percent of medium and large villages (> 100 to 800 inhabitants) decreased from 58.1% to 54.8% while the percent of abandoned and small villages (< 100 inhabitants) increased from 40.6% to 45.2%.



Total available land and utilized agricultural land - 2007

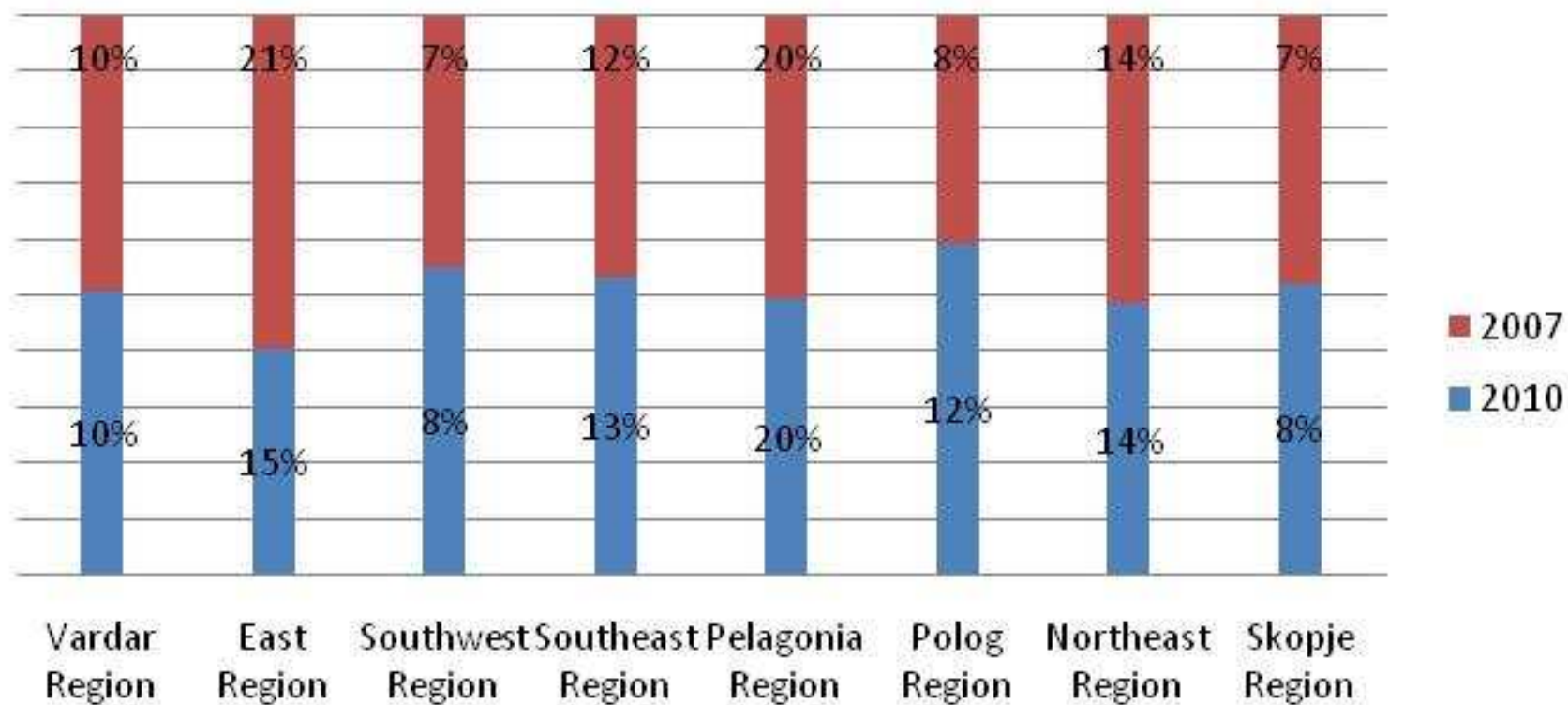


Total available land and utilized agricultural land - 2010

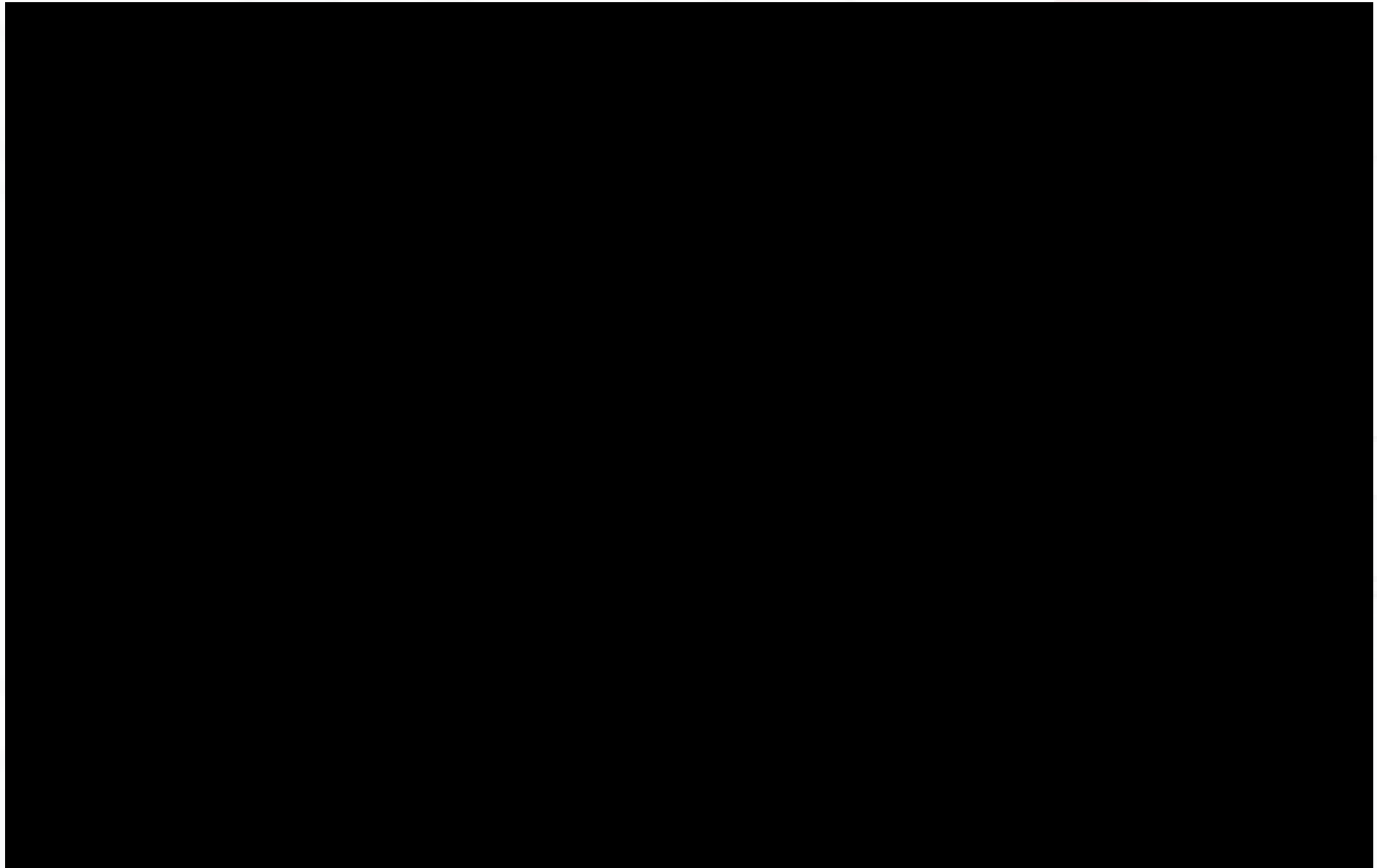


Distribution of utilized agriculture area 2007-2010

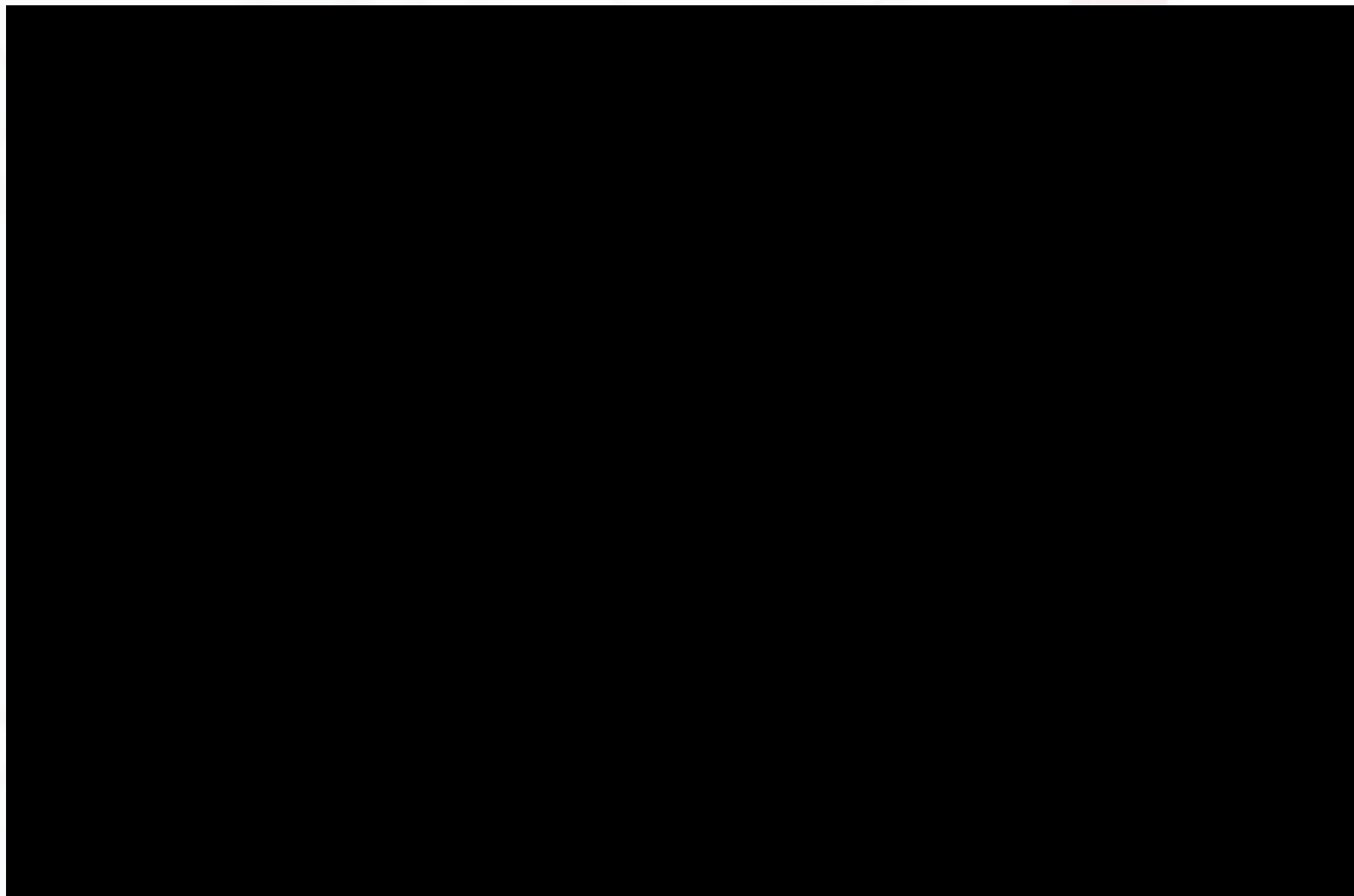
Distribution of utilized agriculture area 2007-2010



Area of utilized agricultural land, by categories 2007

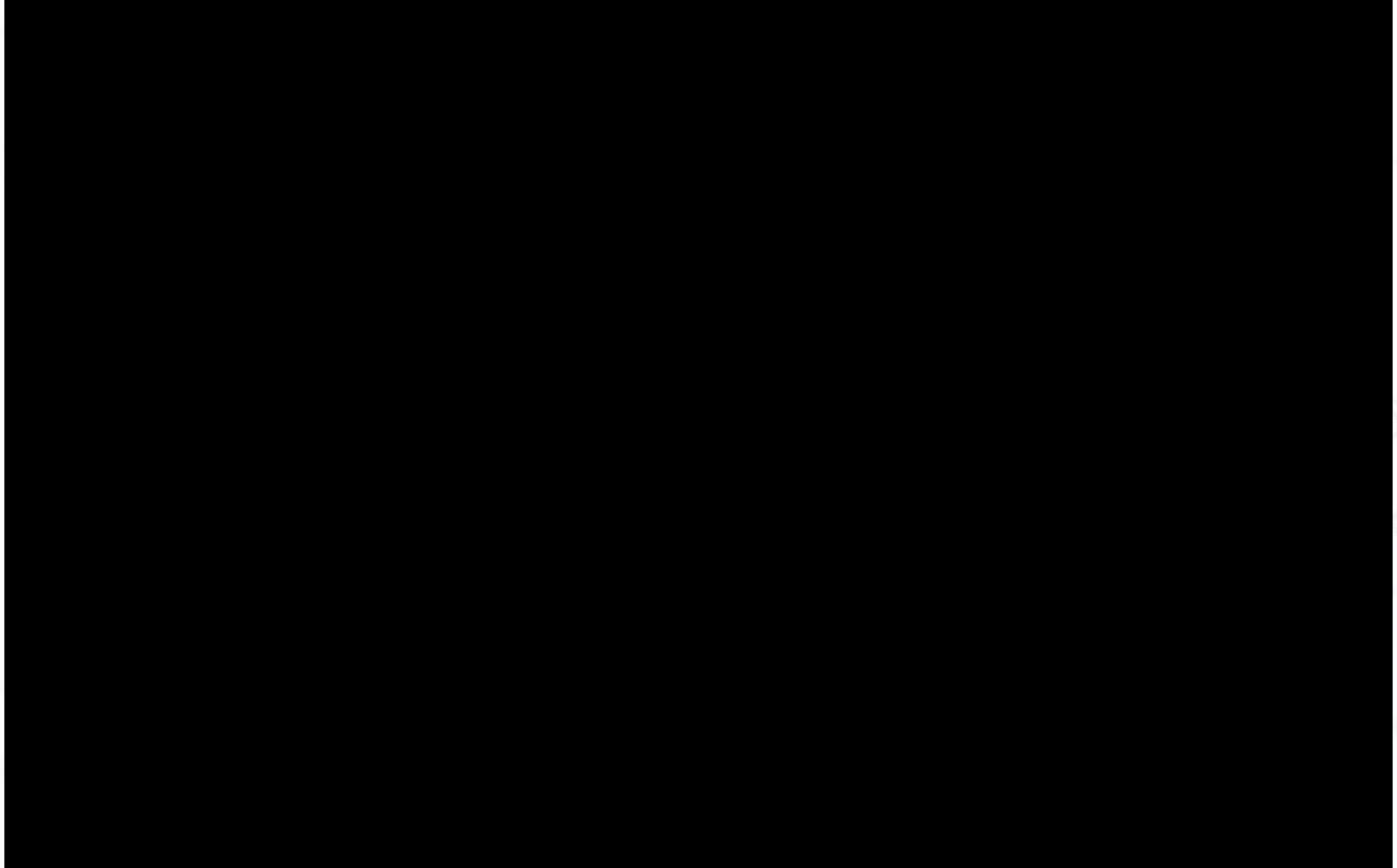


Area of utilized agricultural land, by categories 2010

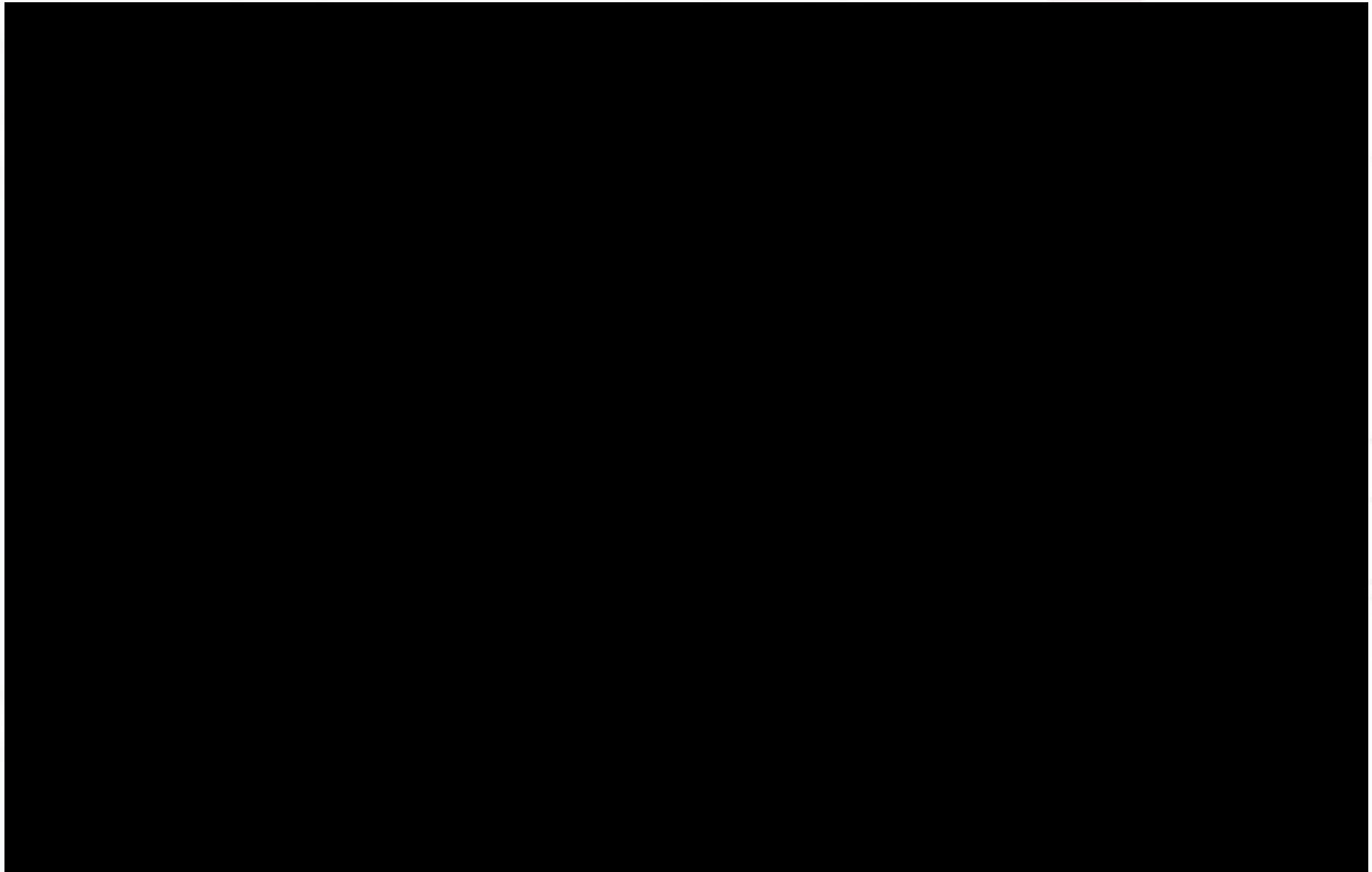


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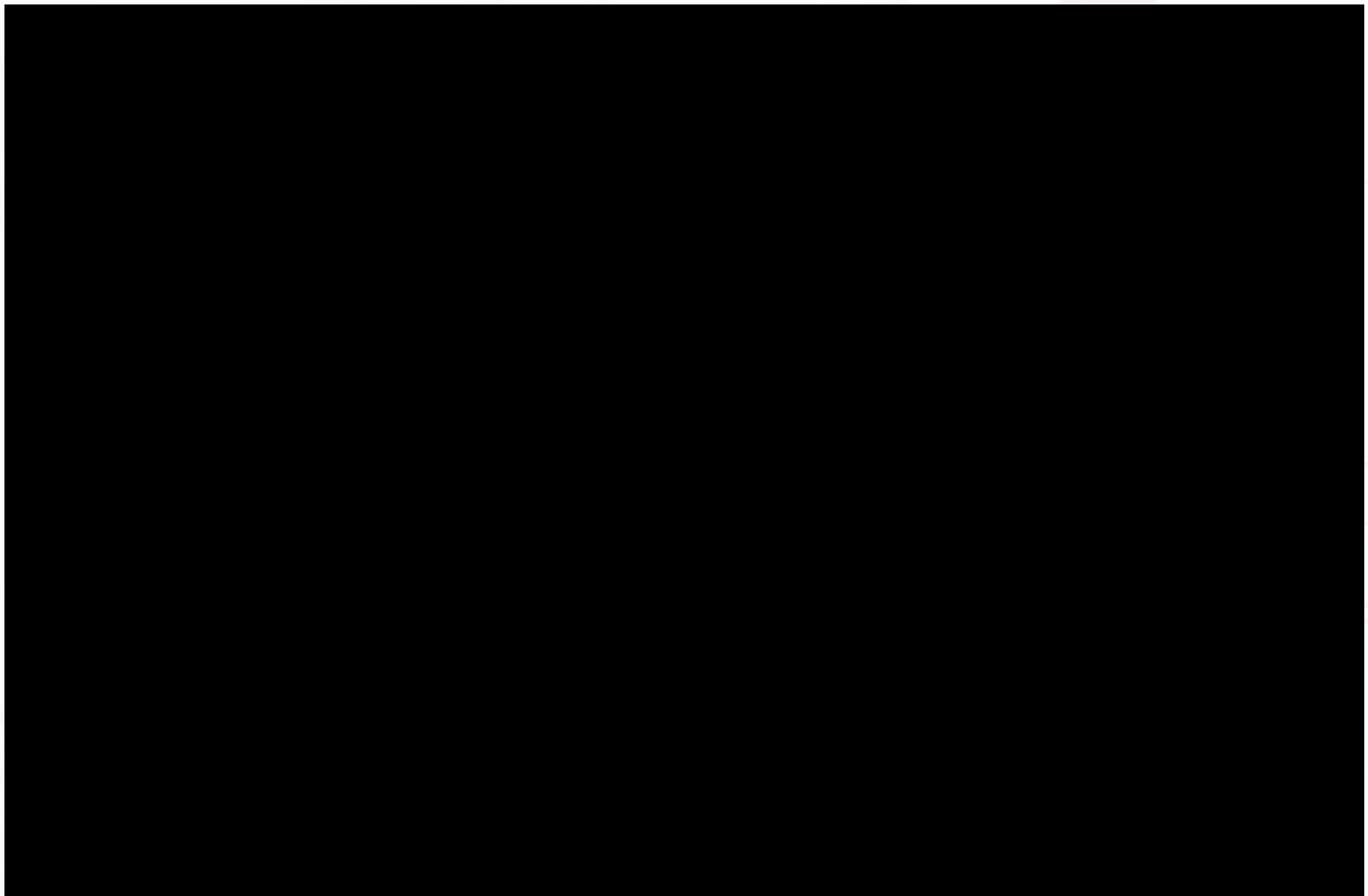
Distribution of utilized agriculture area by category 2007-2010



Area of utilized agricultural land, by categories 2007 in ha



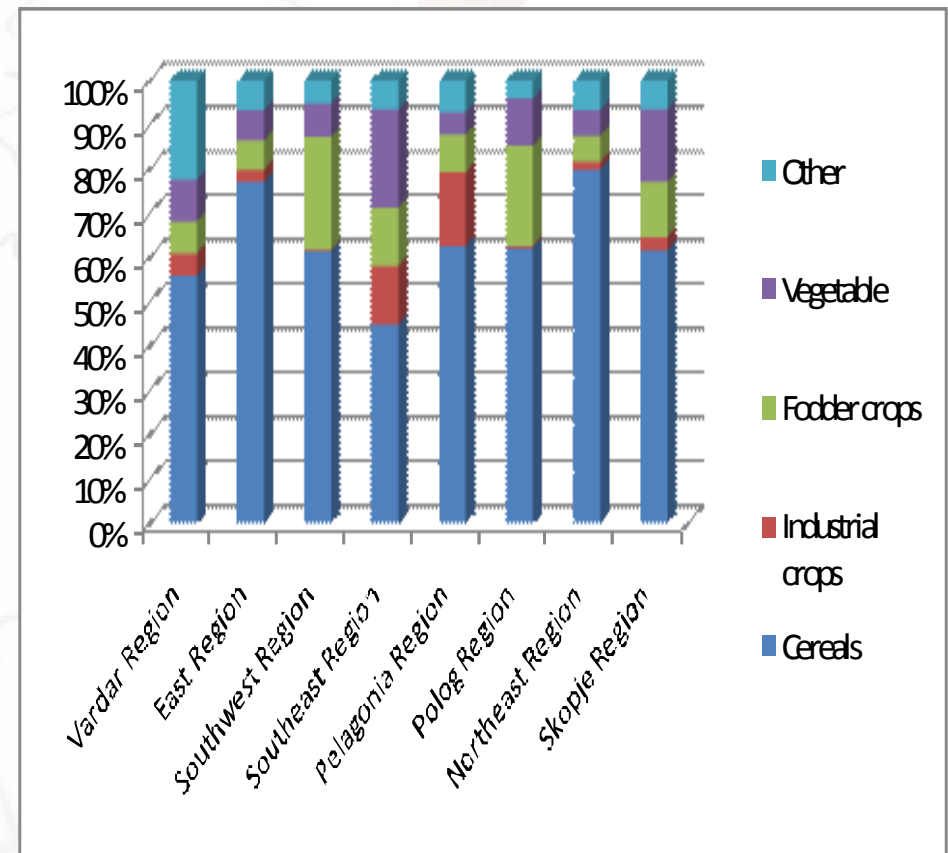
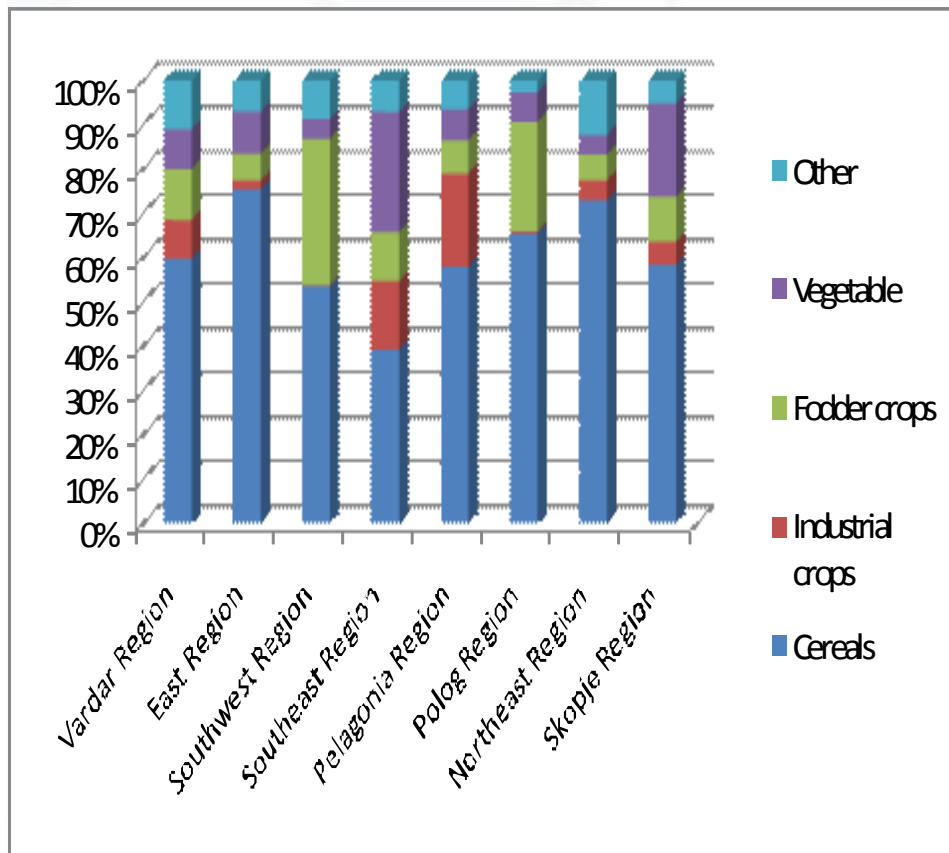
Area of utilized agricultural land, by categories 2010 in ha



Area under cereals, industrial crops, fodder crops, vegetable and other crops - share

2010

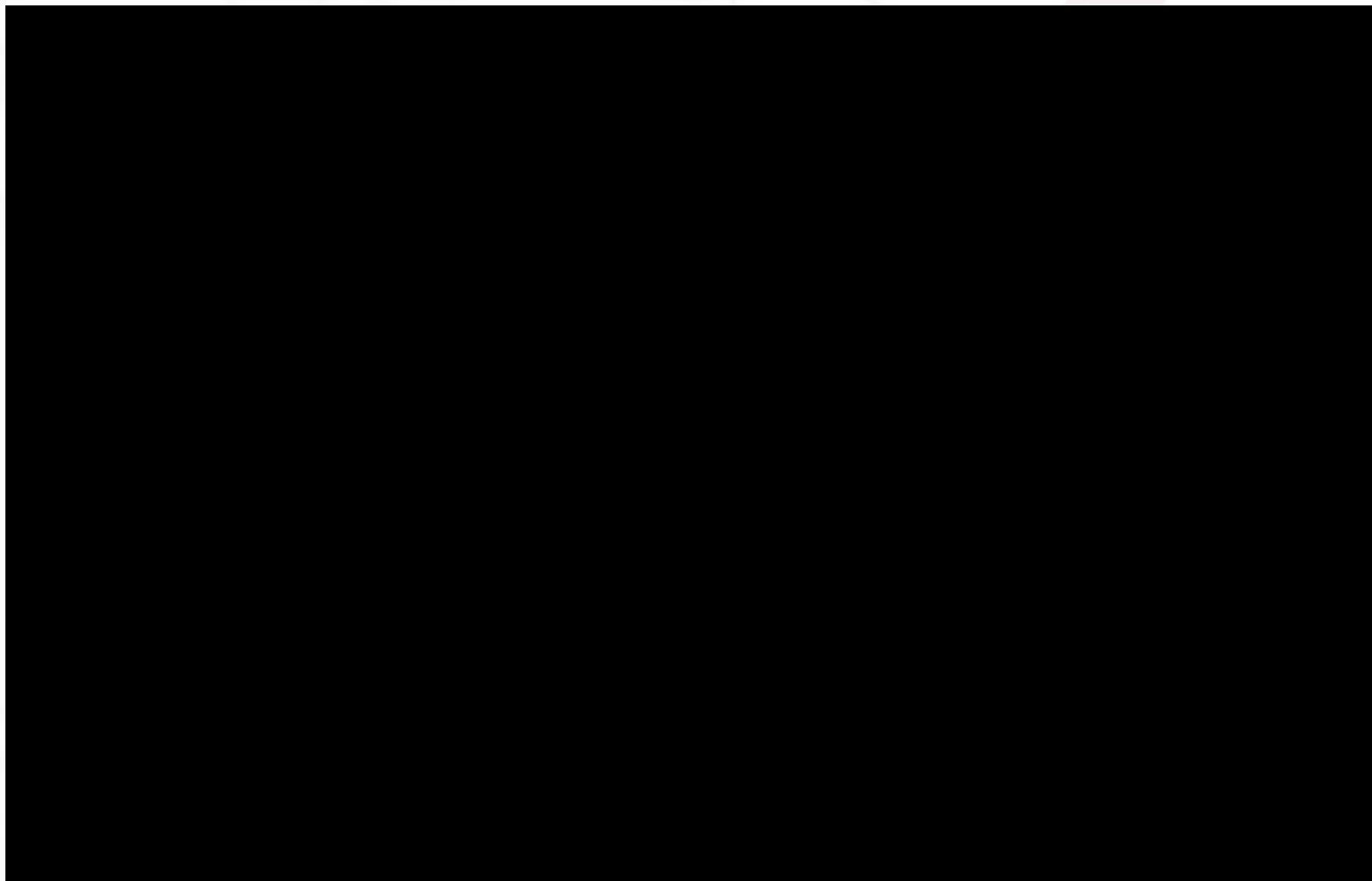
2007



Vineyards and orchards 2010/2007 in ha

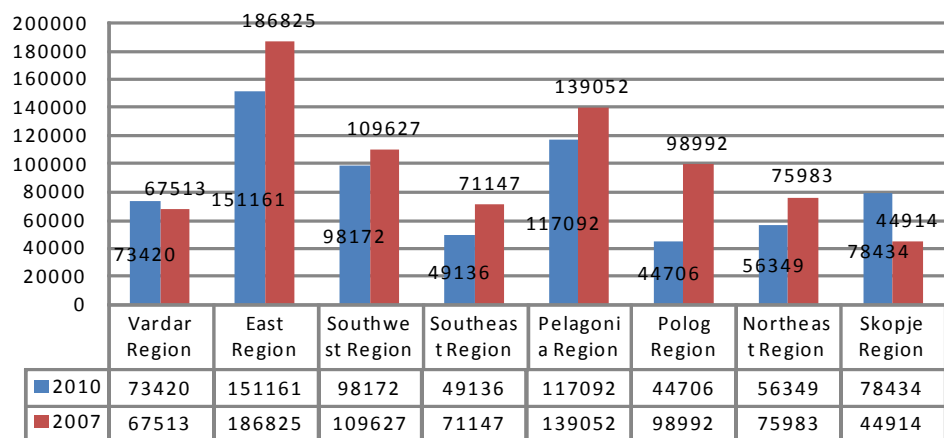
Region	Vineyards		Increase/ decrease 2010/2007	Apples		Increase/ decrease 2010/2007	Plums		Increase/ decrease 2010/2007
	2010	2007		2010	2007		2010	2007	
Republic of Macedonia	16886	24584	-7698	3535	4256	-721	1779	2096	-317
Vardar Region	10358	11877	-1519	39	99	-60	81	78	3
East Region	813	2347	-1534	57	176	-119	884	1120	-236
Southwest Region	341	384	-43	456	513	-57	75	171	-96
Southeast Region	3193	6114	-2921	109	111	-2	478	300	178
Pelagonia Region	744	923	-179	2529	2838	-309	83	136	-53
Polog Region	59	86	-27	228	278	-50	32	39	-7
Northeast Region	687	1540	-853	84	164	-80	71	202	-131
Skopje Region	692	1313	-621	34	74	-40	75	51	24

Orchards 2010/2007 in ha

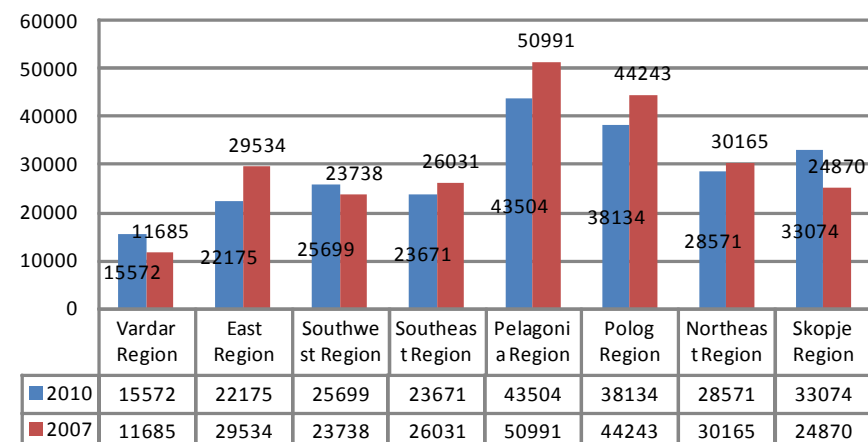


Number of livestock by the regions

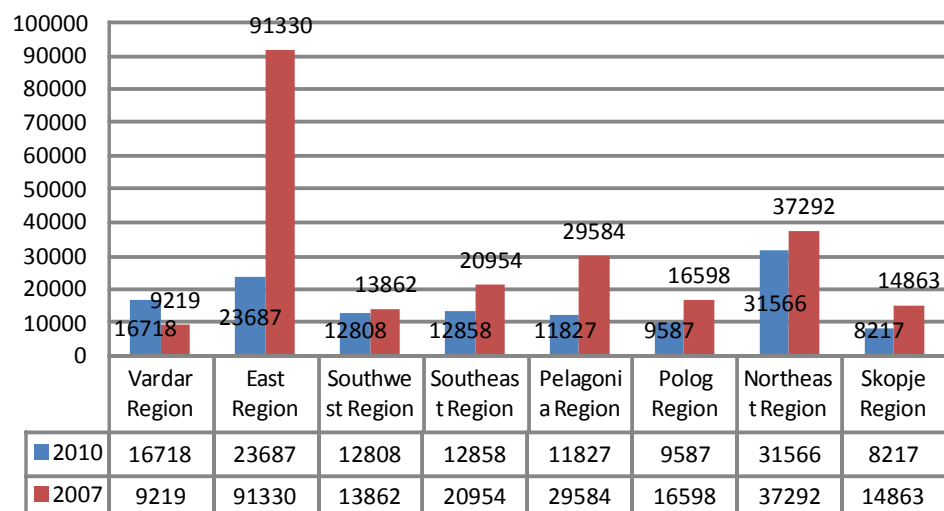
Number of sheep 2007/2010



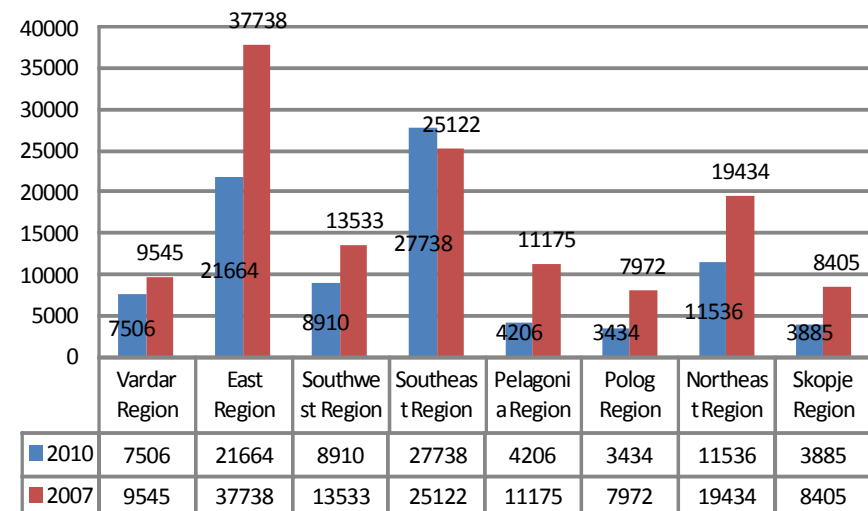
Number of cattle 2007/2010



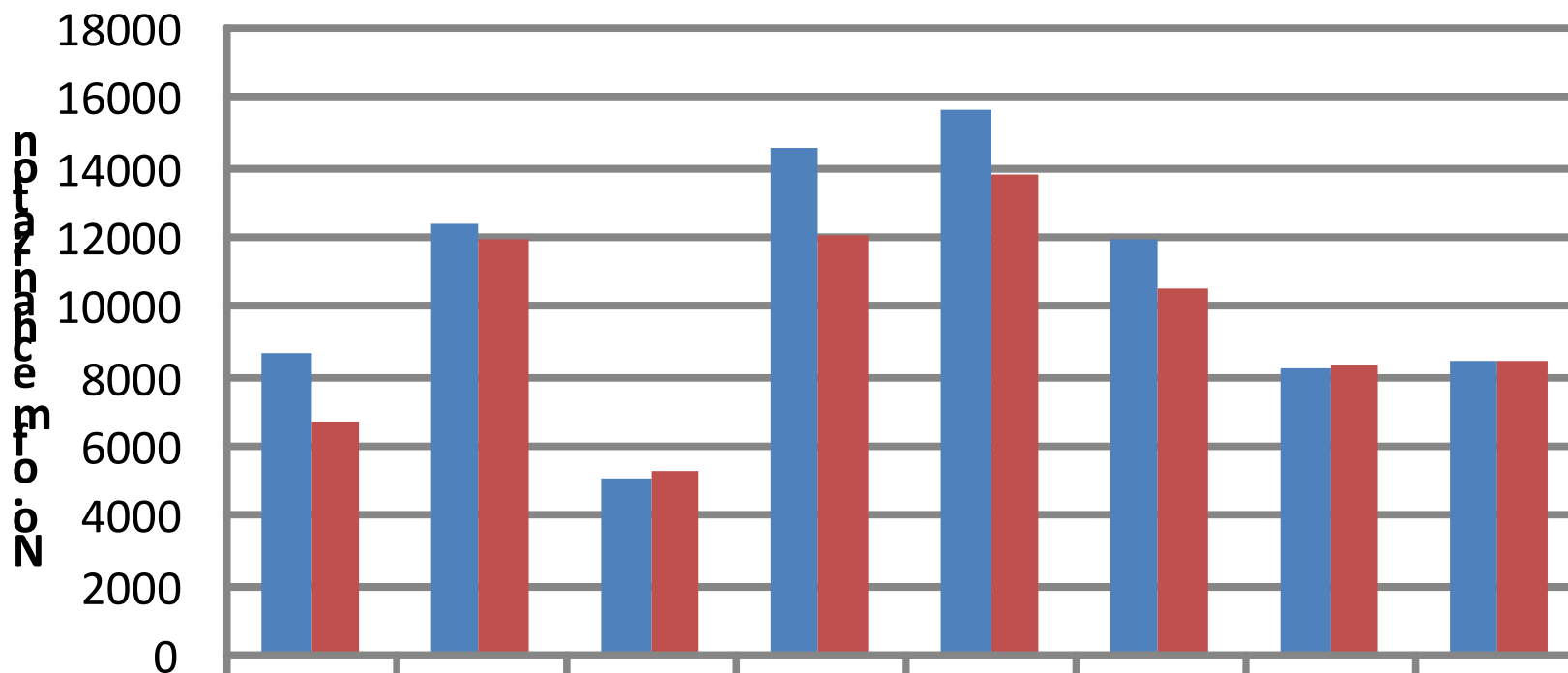
Number of pigs 2007/2010



Number of goats 2007/2010



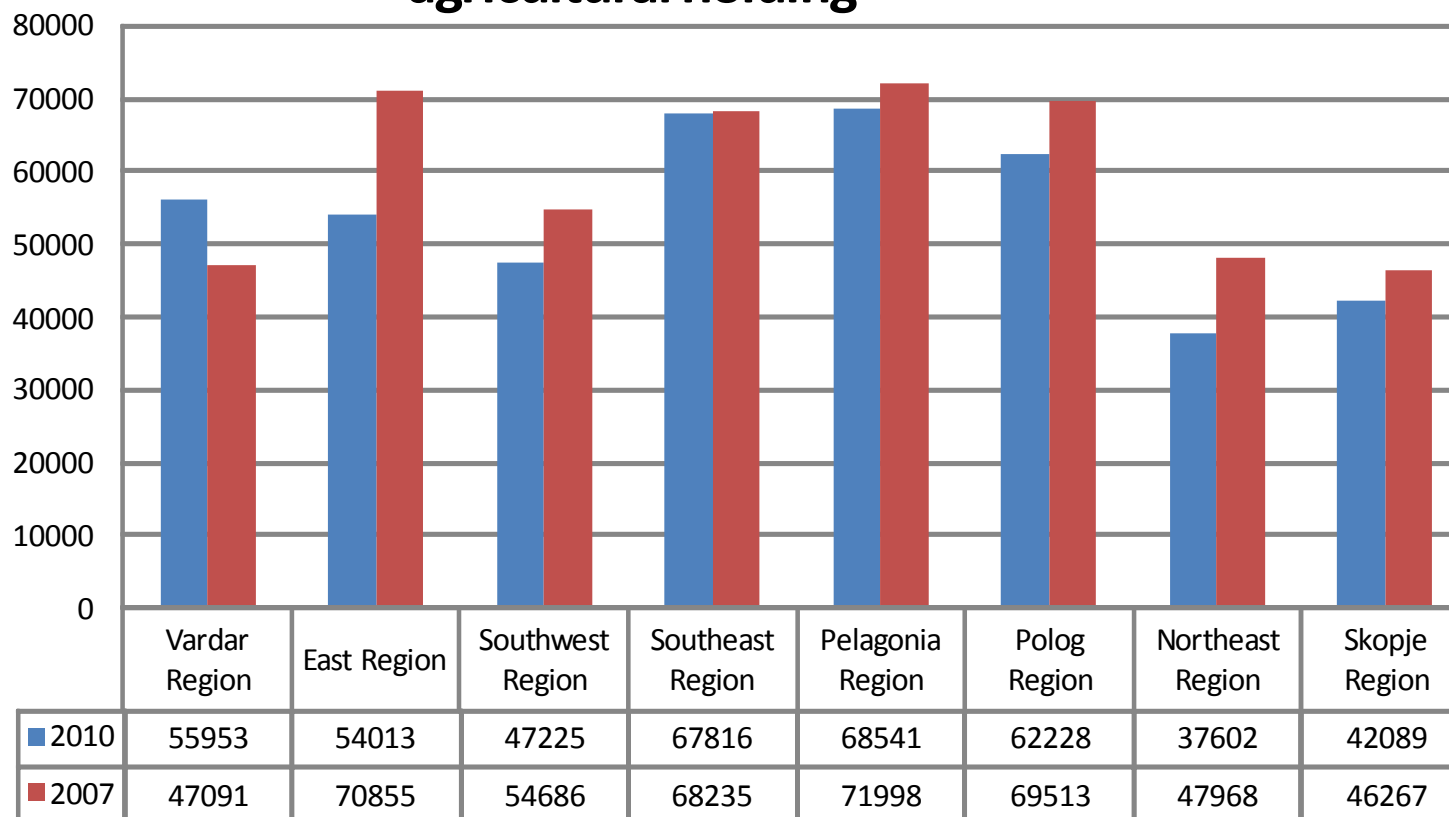
Number of tractors and combines



	Vardar Region	East Region	South west Region	Southeast Region	Pelagonia Region	Polog Region	Northeast Region	Skopje Region
2010	8722	12389	5171	14569	15762	11959	8267	8549
2007	6781	11967	5357	12131	13875	10558	8428	8552

Household members who work at individual agricultural holdings

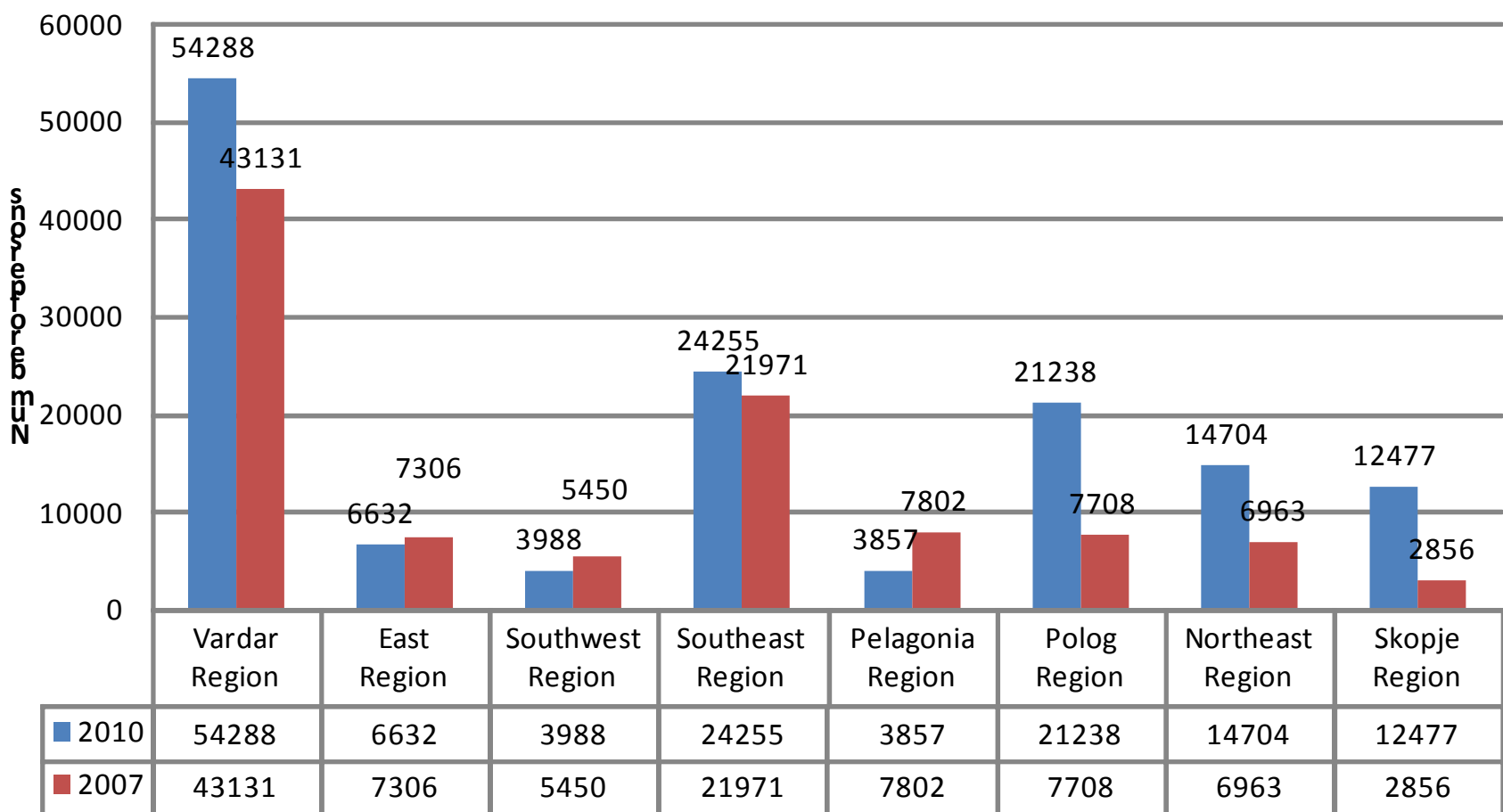
Household members which works on individual agricultural holding



Seasonal workers by the individual agricultural holdings 2010



Seasonally engaged persons by the individual agricultural holdings 2007/2010



Main problems for rural population

- Unsolved basic infrastructure needs - roads, bus lines, shops etc.
- Lack of education (schools in the villages), especially for the population which is living in mountain villages.
- Lack of market information's.
- Lack of basic health services.



Thank you for your attention

MACEDONIA

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