



MACEDONIA



Toward European and Euro-Atlantic Integration

An Interview with His Excellency Vlado Buckovski,
Prime Minister, Republic of Macedonia

EDITORS' NOTE A lawyer by profession, Vlado Buckovski began his career as an adviser in Macedonia's parliament. From 1988 to 2002, he worked as a lecturer, adviser, and assistant at the Faculty of Law in Skopje, becoming an associate professor there in 2003. Concurrently, he served as a member of the State Election Commission (1998 to 2000) and as chairman of Skopje City Council (2000 to 2001). Buckovski became a member of Macedonia's government in November 2002, when he was appointed minister of defense. He became chairman of the government's legal council in September 2003 and was elected leader of the SDSM party in November 2004, thereby becoming prime minister.



H.E. Vlado Buckovski

intend to intensify our efforts. We will hold general elections this year, but these will in no way affect the progress of reforms, which we are so strongly committed to.

Macedonia is a partner and ally of the EU. How do you see the EU-Macedonia relationship developing in the short and long term?

Geographically, the Republic of Macedonia is a part of Europe, naturally connected to the European Union structure and crucial to Europe's security and progress. Also, European Corridors 8 and 10 cross the Republic of Macedonia, which puts the country in a special geostrategic position.

What other countries have managed to achieve in decades, we have managed to achieve in just a few years. Our country already has experience cooperating with the EU through the Stabilization and Association Agreement, the Interim Agreement on Trade Relations with the EU, PHARE and CARDS Programs, and a number of programs on a bilateral basis.

Continuing the process of integration of the Republic of Macedonia within the EU will certainly mean stabilization in the region, better functionality of democratic institutions, greater respect for ethnic rights, the growth of a market economy capable of dealing with Union competition, and fulfillment of the objectives of political, economic, and monetary union. Despite the challenges faced by the reform process, the Republic of Macedonia is still strongly committed to, and is working steadily toward, its inclusion in the European Union family.

The Balkans are still regarded as an unresolved area of Europe. What has changed in recent years to contradict this perception?

The Republic of Macedonia is an example of stability and ethnic tolerance in the region. Within a short period of time, we have managed to achieve great results in multiethnic relations, applying fast dynamics in resolving difficulties in this

area. Namely, we wanted to make up for lost time by accelerating political reforms, in order to fulfill European integration requirements. We are intensively implementing reforms in the judiciary and public administration fields, among others.

We are currently focused on two things. The first one is the implementation of the Ohrid Framework Agreement. We are at the very end of this implementation. Currently, the law stipulating the use of ethnic symbols in the country is being implemented, and we are making every effort to take into consideration the wishes of the Albanian, Turkish, and other communities in the country. We have made great strides toward the inclusion of ethnic communities in the structures of state institutions. The second area of focus is amending the Constitution of the Republic of Macedonia, aimed at implementing deeper reforms in the judicial system.

What incentives does Macedonia offer local and foreign investors?

To improve the business environment for investors, we are adopting and implementing an improved legal framework on company law, in order to upgrade the efficiency of the administrative and judicial system and to streamline the efficiency of bankruptcy procedures. We are also developing a program to simplify and reduce licensing procedures and improve the transparency of all administrative procedures impacting enterprises.

By introducing the one-stop-shop system for the registration of new business entities in January 2006, all administrative barriers that discouraged investors from opening new businesses in the Republic of Macedonia have been eliminated. The one-stop-shop system creates a new, friendly environment that welcomes any potential investor. Administrative and bureaucratic procedures are shortened from the average 48 days to only five, which also considerably cuts down costs.

Following the example of the other European markets, our economy is open to foreign investors. There are no forbidden zones, monopolies, or privileges. The doors and administrative windows are wide open for all. ●



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From Good to Great

By **Attila Szendrei, Chief Executive Officer,**
AD Makedonski Telekomunikacii, Skopje, Republic of Macedonia

EDITORS' NOTE *With qualifications in technical and economic engineering and corporate governance, Hungarian-born Attila Szendrei gained much of his industry experience in Hungary, serving as COO of Zuvack Unicum and CEO of Matakable TV, among numerous other roles. He assumed his current position in 2002.*



COMPANY BRIEF *Created in 1997 through the division of postal and telecommunications provider PTT Makedonija into two new legal entities, AD Makedonski Telekomunikacii (www.mt.com.mk) is a national telecommunications operator offering a wide range of products and services, including fixed-line telephony, telegraph and telex, public payphones, mobile telephony (spun off as MobiMak in June 2001), data transmission, and directory services. The Hungarian telecommunications provider MATAV acquired a 51 percent stake in the company in 2001.*

The telecommunications sector in the Republic of Macedonia has undergone a major revolution over the past 10 years with the introduction of mobile technology, the privatization of the largest Macedonian telephone operator, the launching of broadband Internet access, and the liberalization of the communications sector.

The MakTel Group consists of two companies: Makedonski Telekomunikacii – the fixed-line telecommunications company in Macedonia – and MobiMak – the leading mobile operator. Both companies are part of Magyar Telekom and the Deutsche Telekom Group. Together, the companies of MT Group represent the largest foreign investment in the Republic of Macedonia. As models of successful working foreign investment, both companies support all initiatives and steps aimed at attracting greater foreign capital into Macedonia to develop the local economy through new investments. The success of our companies is measured each year by local and international ranking institutions. The Group companies MT and MobiMak achieved the two highest-ranking positions as the most successful companies in Macedonia in 2004, based on the ranking of Euro Business Centre, and the first ranking

position in Macedonia in *Finance Central Europe's* Top 100 South East Europe Company Rankings for 2005.

The guiding principle which has driven our companies to achieve this success is that we focus our energies on the achievement of three key goals: the improvement of the company in terms of our employees; improvement of the products and services we offer to our customers; and continuous improvement of our operations in

order to achieve greater efficiency.

Our chief priority is to manage our core business successfully. Our company already operates in a competitive environment – the first contracts for network access have been signed. From now on, we will be measured by the market and customers in all the fields of our businesses; we believe that we are ready for this and we welcome quality competition in favor of customers.

First and foremost, I would like to say that all serious companies have their own visions and missions. MT has created its own vision as part of the “Road to Success Program” by identifying the major elements that should characterize our company in the future. It is essential for our future that we sustain our strong customer focus and market orientation and that we maintain our leading market position inside Macedonia while also looking beyond the borders of the country. As part of our implemented “Road to Success” change management program, we included in our mission statement a vision of the kind of company we want to become – not only from an operational aspect, but from a business aspect as well.

In line with the priorities set out above, we seek continuous improvement following the T-Spirit concept as an integral part of our “Road to Success Program.” The T-Spirit itself, in spirit and in methodology, constitutes a program for maintaining the overall successful operation of the company in the long term. The meanings denoted by the letters are mostly self-explanatory: Superior Value: we constantly enhance the value of our company; Passion for our customers: we delight our customers by providing them with excellent prod-

ucts and services; Innovation: we have started to create a culture of innovation in which we enjoy working; Respect: every contribution counts; Integrity: act with respect and integrity; Top Excellence: prevail through passion, convince through quality.

The “Road to Success Program” has been the vehicle by which we have managed to transform the company from a technically-oriented company into a successful, customer-focused, and market-driven entrepreneurship enterprise.

The real question is not that of how to create a good company from the current one, but rather how to progress “From Good to Great.” This entails the creation of a company able to perform far above the industrial average on a sustainable level for at least a period of 10 to 15 years.

One of the essential elements in this success is the existence of a winning team inside the company. My greatest challenge here has been – and will remain – to identify and retain the most appropriate colleagues. This involves the development of a highly self-motivated international team. The existence of such a team is fundamental if we intend to achieve our ultimate goal of developing our company “From Good to Great.”

As the country’s leading Internet service provider, we are also focused on increasing Internet penetration within Macedonia – closing the “information divide” between those citizens who have access to information and those who do not. For this reason, MT contributes through numerous programs to the development of an information society in Macedonia. For this purpose, too, we have created a Foundation specifically designed to support social programs initiated in furtherance of the development of an information society.

At the same time, services built on the latest technology must be of high quality and must be offered at a fair price to users. In order to achieve such conditions, there must be stimulation to provide services in a competitive environment. An important additional activity, therefore, is the introduction of a strong and effective cost management system to ensure optimal operation.

We would like to promote ourselves as a positive example for successful investment in Macedonia. ●