

AVRASYA INCELEMELERI MERKEZI CENTER FOR EURASIAN STUDIES

## **BAD ROADS BLAMED FOR MACEDONIA-KOSOVO TRADE DECREASE**

22.08.2016

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Balkan Insight

The promised but as yet unbuilt highway stretch that would link Macedonia and Kosovo is taking a costly toll on Macedonian companies as trade between the two countries plummets.

Businessmen from Macedonia and Kosovo are blaming the transport links for the drastic decrease in trade between the two countries over the past five years.

They say that during that time, Kosovo businesses seeking to export goods increasingly used an alternative route to a sea port through the highway between Kosovo and Albania, finished in 2013, rather than going through Macedonia to Greece.

In 2015, the trade exchange between the two neighbours plummeted to almost 200 million euro, according to data from the Macedonian State Statistical Office - half the amount registered in 2010.

Businessmen say that the promised 13-kilometre-long highway stretch from the Macedonian capital Skopje to the Kosovo border would greatly boost trade.

"It is a highway stretch that is only 13 kilometres long but because of this, Albania is taking over the Kosovo market," said Nebi Hoxha, the head of the Chamber of Commerce of North-Western Macedonia.

Hoxha said that the existing two-lane road that is in bad condition and often clogged by heavy traffic, and cannot compete with the new highway linking Pristina to the Albanian capital Tirana and on to the port town of Durres.

Before the construction of the Albania-Kosovo highway, Kosovo businesses greatly relied on the Greek port of Thessaloniki, making Macedonia an inevitable transit country.

Despite the drop in exchange, Kosovo remains one of the most significant trade partners for Macedonia, especially because Macedonia continuously exports much more than it imports from its neighbour.

The head of Kosovo's Chamber of Commerce, Safet Gerxhaliu, echoed his Macedonian colleague.

"Infrastructure remains the last barrier to a better flow of goods and people, Gerxhaliu told Plus Info.

Kosovo is already building the highway and now it is up to the Macedonian side to do the same," he added.

He also called for a better road connection between the western Macedonian town of Tetovo and Prizren on the Kosovo side of the border.

The Macedonian government first promised building the highway stretch from Skopje to the border back in 2011, but so far construction has not begun.

The feasibility study estimates the cost of the stretch that would complete the highway from the Kosovo side, which is its final stage of construction, at some 60 million euro.

The relatively high cost of the Macedonian leg is due to the fact that the new road would have to cross over a narrow gorge at the border.

After a recent meeting with representatives of the World Bank, Macedonia's Economy Minister Driton Kuci asked for their support for the Macedonian stretch.

After a meeting last week with his Kosovo counterpart, Hykmete Bajrami, Kuci also urged his colleagues from the Macedonian government to speed things up.

He said that he had raised this issue more than ten times in the past six months during government sessions but he has still not received a reply from his colleagues.

BIRN was unable to get a comment on the delay from the Macedonian Transport Ministry on Friday. This ministry is in charge of running the project.

http://www.balkaninsight.com/en/article/bad-roads-blamed-for-macedonia-kosovo-trade-decrease-08-19-2016

Kaynak/Source: