

MACEDONIA

*By Walter G. Steblez
United States Geological Survey*

The Former Yugoslav Republic of Macedonia was well endowed with mineral deposits necessary for the production of copper, iron, lead, precious metals and zinc. A processing and fabricating infrastructure also was established that allowed the production not only of these metals and their alloys, but also such ferroalloys as ferromanganese, ferronickel and ferrochromium. Also, such industrial minerals as bentonite, feldspar, gypsum, sand and gravel, stone (carbonate and silicate), as well as cement and other construction materials that are based on quarried products were produced mainly for export. The strong economic recovery of Macedonia in 2000 ended in 2001 as the country experienced increased ethnic tensions and conflicts, which partly were the

outcome of the conflict in recent years in neighbouring Serbia's Kosovo Province.

In 2001, the country's GDP contracted by about 5.7% compared with that of 2000; industrial production fell by 3.1% (United States Agency for International Development). The available volume output indices for 2002, published by the State Statistical Office of the Republic of Macedonia, showed the total output of mining and quarrying had declined by about 1.8% compared with the 2000 output level. Individual subcategories of mining and quarrying, however, show that levels of mine output of lignite and metal ores have remained at the same levels as those achieved in 2000, although mine production of industrial minerals showed a decline of about 5.5%. With respect to minerals processing, the

Macedonia Mineral Production (t)

	1999	2000	2001
Aluminium	5,000	4,500	4,000
Cadmium (kg)	50	50	50
Copper concentrate (Cu content)	9,000	6,000	9,000
Gold (kg)	750 ^r	750	500
Ferrosilicon	73,000	65,000	60,000
Lead concentrate, (Pb content)	12,300 ^r	16,500	9,000
Lead (Refined)	19,738 ^r	22,900	7,000
Silver (kg)	22,000 ^r	20,000	15,000
Zinc concentrate (contained Zn)	8,000	12,200	5,000
Lead (Refined)	7,000	7,000	7,000

Industrial Minerals

Cement ('000 t)	520	585	450
Bentonite	30,000	30,000	25,000
Diatomite	5,000	5,000	5,000
Feldspar	11,000	10,000	8,000
Gypsum	25,000	25,000	20,000
Pumice	150,000	150,000	50,000
Sand and gravel (000 m ³)	150	150	100

Mineral Fuels

Lignite ('000 t)	7,500	7,100	6,000
------------------	-------	-------	-------

^r Revised

production of coke and refined petroleum, base metals and manufactured industrial minerals, showed shortfalls of about 1%, 5.2% and 5.6%, respectively.

Although mineral industry issues and events in 2001 were limited in scope, they included continuing interest in the Bucim copper-gold open-pit mine in the southern part of the country, which was privatised in 2000. Having conducted an audit of the mine in early 2001, CSMA Consultants Ltd was hired to provide technical assistance to make the operation profitable. In the steel sector, AD Makstil, a subsidiary of Duferco, reported that modernisation of the steel shop and plate mill were nearing completion in 2001. Also, because of a favourable European plate market, Makstil reported good overall financial results at year end.

In December 2000, the European Bank for Reconstruction and Development approved

a US\$50 million loan for construction of the Thessaloniki-Skopje crude petroleum pipeline which was finally adopted by the government in January 2001. When completed, the pipeline will carry about 2.5 Mt/y of petroleum from the Greek port of Thessaloniki to its OKTA refinery terminus at Skopje.

References

- CSMA Consultants Ltd. Bucim copper-Macedonia-project ongoing: July 2001 press release.
- Drzhaven Zavod za Statistika, March 25, 2002, pp. 2-3. Monthly indices of production volume.
- Duferco, 2002. Annual report for 2001.
- European Bank for Reconstruction and Development: Projects signed in 2001.
- United States Agency for International Development, 2002, Former Yugoslav Republic of Macedonia overview in FY 2003 Congressional budget justification.