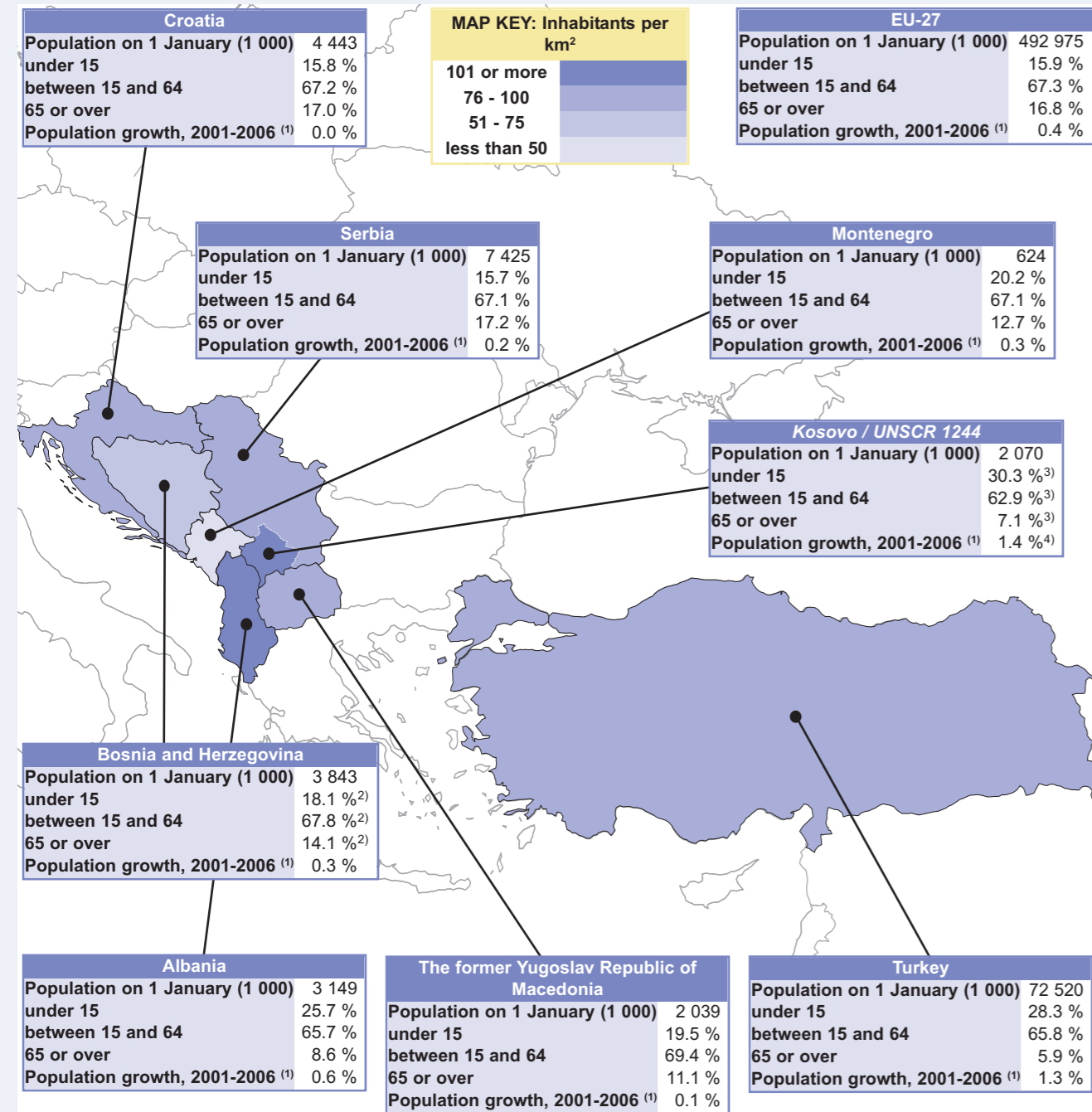
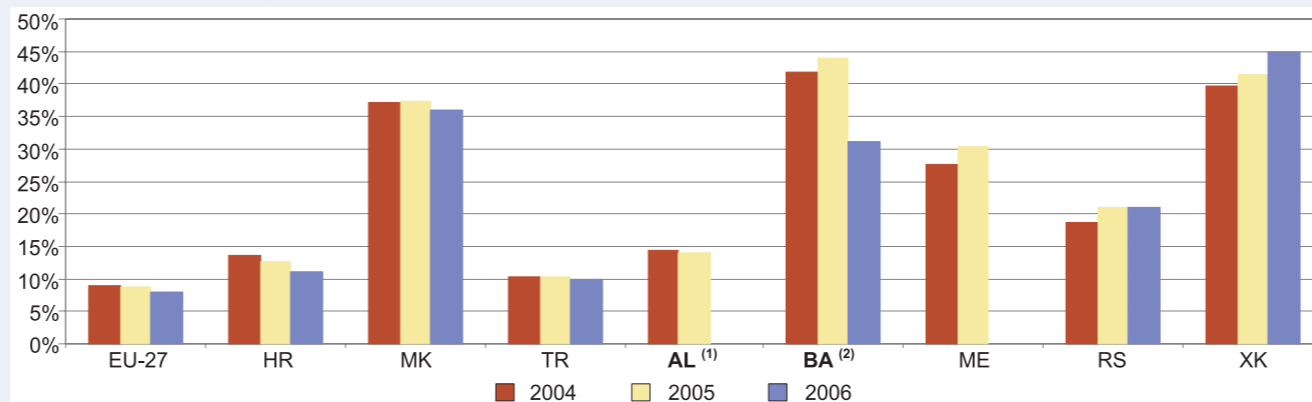


## Demography



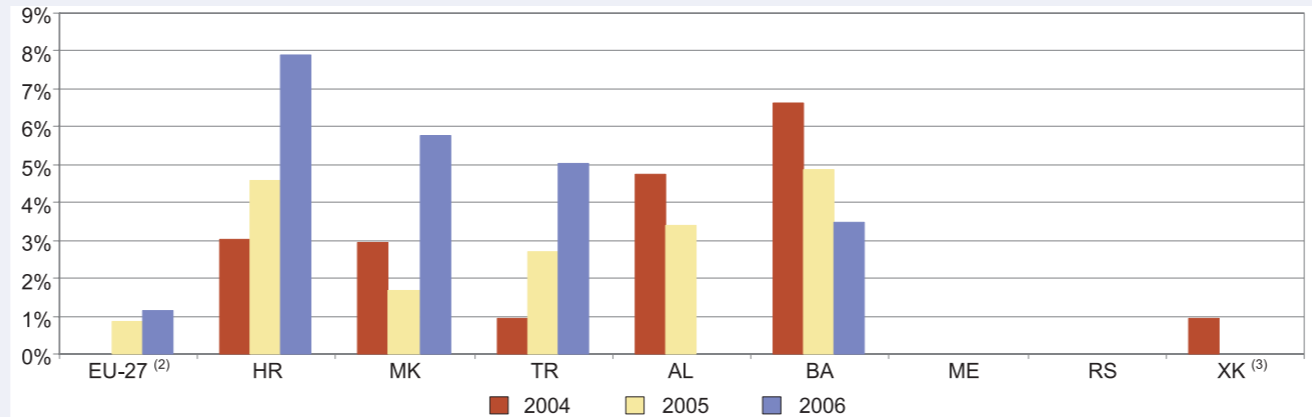
(1) Average annual growth. (2) Estimated value; 2005 data. (3) Source: 'Labour Force Survey'. (4) 2003-2006 growth rate.

## Unemployment rates (%)



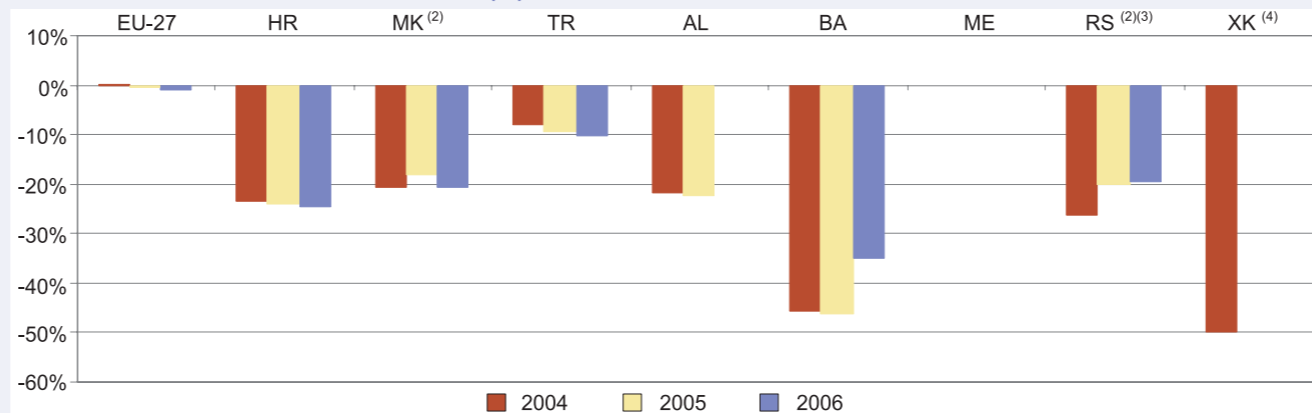
(1) Administrative data; refers to registered unemployment. (2) Source for 2004-2005: Bureau for Employment (the ILO methodology was not used); Source for 2006: LFS.

## Foreign Direct Investment in the reporting economy, relative to GDP (%) <sup>(1)</sup>



(1) Montenegro and Serbia, not available. (2) 2006, provisional value. (3) Forecast.

## Current account balance, relative to GDP (%) <sup>(1)</sup>



(1) Montenegro, not available. (2) 2006, estimated value. (3) 2004, provisional value. (4) Forecast.

## Symbols and abbreviations

In the graphs, the following abbreviations have been used:

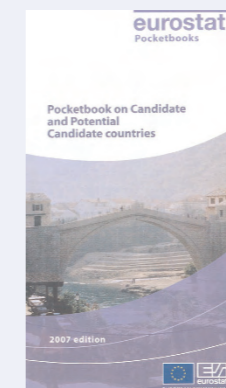
- HR (Croatia),
- MK\* (the former Yugoslav Republic of Macedonia),
- TR (Turkey),
- AL (Albania),
- BA (Bosnia and Herzegovina),
- ME (Montenegro),
- RS (Serbia),
- XK (Kosovo/UNSCR 1244).
- : not available
- ~ not applicable, not relevant

## Important note

\* Provisional code which does not prejudice in any way the definitive nomenclature for this country, which will be agreed following the conclusion of negotiations currently taking place on this subject at the United Nations.

The data for Serbia exclude Kosovo, which is under international administration in line with the UNSCR 1244.

## KEY PUBLICATIONS



**Pocketbook on Candidate and Potential Candidate countries**

**Edition 2007**

Format: paper, PDF  
Language versions: EN only  
Catalogue No: KS 77 07 177 EN C  
ISBN: 978 92 79 05217 0



**Leaflets on Candidate and Potential Candidate Countries**

Available in print and PDF format at Eurostat's web site.

KS-82-07-448-EN-D

# Candidate and Potential Candidate Countries

## Overview of recent economic developments



**Candidate and Potential Candidate Countries**

Following the accession of Bulgaria and Romania on 1 January 2007, the European Union is now composed of 27 Member States.

A further gradual and carefully managed enlargement process remains in the interest of the EU. Enlargement is one of the EU's most powerful policy tools which helps the transformation of the countries involved, extending peace, stability, prosperity, democracy, human rights and the rule of law across Europe. All European citizens benefit from having neighbours that are stable democracies and prosperous market economies.

Future enlargements will concern the countries of south eastern Europe. These countries are at various stages on their road towards the EU.

Croatia, the former Yugoslav Republic of Macedonia and Turkey are candidate countries. Croatia and Turkey started accession negotiations on 3 October 2005. In December 2005, the European Council granted the former Yugoslav Republic of Macedonia candidate country status, although, at the time of writing this leaflet, accession negotiations had not started.

All other Western Balkan countries are considered to be potential candidate countries: Albania, Bosnia and Herzegovina, Montenegro, Serbia and Kosovo under UN Security Council Resolution 1244. The EU has repeatedly reaffirmed at the highest level its commitment for possible Western Balkan countries accession to the EU, provided they fulfil the accession criteria.

On 6 November 2007 the European Commission adopted its annual strategy document explaining its policy on EU enlargement. It shows how the renewed consensus on enlargement, agreed by EU leaders at the European Council in December 2006, is implemented. The renewed consensus is based on the principles of consolidation of commitments, fair and rigorous conditionality and better communication with the public, combined with the EU's capacity to integrate new members. In addition, the 2007 progress reports were published, where the Commission monitors and assesses the political and economic achievements of each candidate and potential candidate country over the last year. The progress reports assess the ability of the candidate countries to transpose and implement EU legislation and the progress of the potential candidate countries in adopting EU standards and in fulfilling other specific conditions.

The role of Eurostat, the Statistical Office of the European Communities, is to follow the progress of the candidate and potential candidate countries in the area of statistics and to support them in their efforts to align their statistical data with EU and international standards by providing assistance and collecting data from those countries.

**Data collection**

The information presented in this leaflet has been provided by the national statistical institutes (NSIs). The majority of the data is taken from the key indicators that are collected on a regular basis by Eurostat Unit E4. Most data presented in this publication were processed during August-September 2007.

**Indicator definitions**

**Population on 1 January (1 000):** inhabitants of a given area on 1 January of the year in question.

**Population density:** ratio of the mid year population of a territory to the size of the territory.

**Unemployment rate:** persons aged 15 to 74 who were not employed, had actively sought work during the past four weeks and were ready to begin working within two weeks, as a proportion of the total number of active persons of the same age.

**GDP:** gross domestic product is the final result of the production activity of resident producer units. From the expenditure approach, GDP is the sum of final uses of goods and services by resident institutional units (actual final consumption and gross capital formation), plus exports and minus imports of goods and services.

**Gross value added at basic prices:** the value of output less the value of intermediate consumption by NACE Rev.1.1 sectors.

- NACE Sections A+B: agriculture, forestry and fishing
- NACE Sections C to E: industry
- NACE Section F: construction
- NACE Sections G to P: services

**Current account balance:** transactions (other than those in financial items) that involve economic values and occur between resident and non resident entities.

**Foreign Direct Investment in the reporting economy:** international investment made by an entity resident in one economy (the direct investor) to acquire a lasting interest in an enterprise operating in another economy.

**General government deficit/surplus:** net borrowing or lending over the course of a single reference year (national accounts concept of consolidated general government net borrowing/net lending).

**General government debt:** the consolidated stock of gross debt at nominal value at the end of the year. In other words, it is the accumulated total debt (over the years) of a territory.

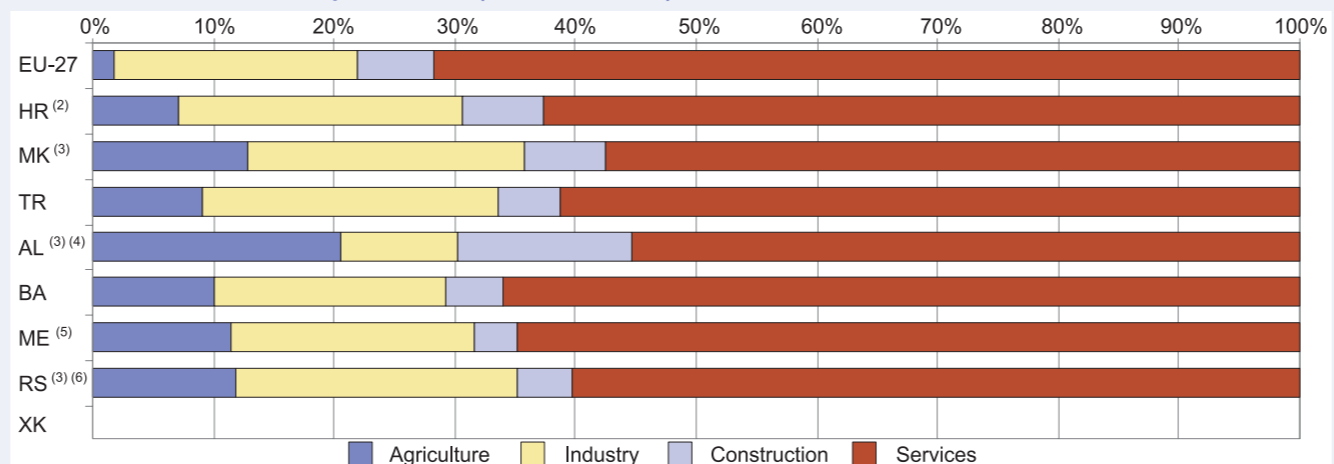
**Consumer price indices:** the change in the price of consumer goods and services acquired, used or paid for by households.

**Gross Domestic Product**

|  | At current prices (EUR million) |                               | Per capita (EUR) <sup>(1)</sup> |                         | Average annual growth rate 2001-2006 (%) |
|--|---------------------------------|-------------------------------|---------------------------------|-------------------------|--|
|  | 2001                            | 2006                          | 2001                            | 2006                    |  |
| <b>EU-27</b>                                     | 9 535 688                       | 11 583 403                    | 19 700                          | 23 500                  | 4.0                                      |
| <b>Croatia</b>                                   | 22 138                          | 34 212 <sup>(2)</sup>         | 4 989                           | 7 700                   | 9.1                                      |
| <b>The former Yugoslav Republic of Macedonia</b> | 3 839                           | 4 957 <sup>(3)</sup>          | 1 890                           | 2 431                   | 5.2                                      |
| <b>Turkey</b>                                    | 161 836                         | 318 586                       | 2 386                           | 4 393                   | 14.5                                     |
| <b>Albania</b>                                   | 4 541                           | 6 582 <sup>(4)</sup>          | 1 483                           | 2 099 <sup>(4)</sup>    | 9.7 <sup>(5)</sup>                       |
| <b>Bosnia and Herzegovina</b>                    | 5 930 <sup>(6)</sup>            | 9 769                         | 1 565                           | 2 542                   | 10.5                                     |
| <b>Montenegro</b> <sup>(3)</sup>                 | 1 245                           | :                             | 1 898                           | :                       | :  |
| <b>Serbia</b> <sup>(7)</sup>                     | 13 186                          | 25 499 <sup>(3)</sup>         | 1 756                           | 3 434 <sup>(3)</sup>    | 14.1                                     |
| <b>Kosovo / UNSCR 1244</b>                       | 1 624 <sup>(8)</sup>            | 1 895 <sup>(8) (9) (10)</sup> | 905 <sup>(11) (12)</sup>        | 940 <sup>(9) (10)</sup> | 5.3 <sup>(13)</sup>                      |

(1) Estimated using the GDP in euro and population on 1 January. (2) Data based on quarterly values. (3) Estimated value. (4) 2005 data. (5) Period covered: 2001-2005. (6) The value of non-observed economic activities is not included. (7) Excluding Kosovo and Metohia. (8) Source: IMF Mission estimates, 'Kosovo - Gearing Policies Towards Growth and Development', November 2004. (9) 2004 data. (10) Forecast. (11) 2003 data. (12) Provisional value. (13) Period covered: 2001-2004.

**Gross value added at basic prices, 2006 (% share of GVA) <sup>(1)</sup>**



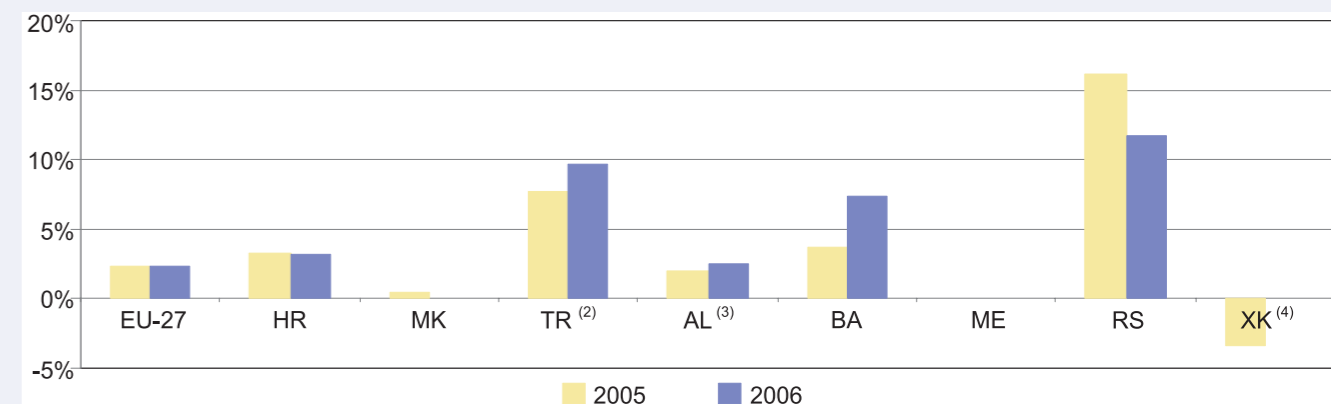
(1) Kosovo / UNSCR 1244, not available. (2) Based on quarterly values. (3) 2005 data. (4) Provisional value. (5) 2004 data; source: Statistical yearbook 2006. (6) Excluding Kosovo and Metohia.

**Expenditure component of GDP, 2006 (% share of GDP)**

|   | Final consumption expenditure |                      | Gross capital formation | Imports of goods & services | Exports of goods & services |
|---|-------------------------------|----------------------|-------------------------|-----------------------------|-----------------------------|
|   | Household                     | General government   |                         |                             |                             |
| <b>EU-27</b>  | 57.8                          | 20.8                 | 21.1                    | 39.3                        | 39.6                        |
| <b>Croatia</b> <sup>(1)</sup>                                   | 56.0 <sup>(2)</sup>           | 20.1 <sup>(2)</sup>  | 32.8                    | 56.8                        | 47.9                        |
| <b>The former Yugoslav Republic of Macedonia</b> <sup>(3)</sup> | 77.7                          | 18.9                 | 20.7                    | 62.0                        | 44.7                        |
| <b>Turkey</b>   | 69.4                          | 13.7                 | 24.9                    | 37.5                        | 29.5                        |
| <b>Albania</b> <sup>(3) (4)</sup>                               | 76.2                          | 10.8                 | 37.5                    | 47.3                        | 22.8                        |
| <b>Bosnia and Herzegovina</b>                                   | 87.4                          | 19.4                 | 20.5                    | 60.8                        | 33.5                        |
| <b>Montenegro</b> <sup>(5) (6)</sup>                            | 73.7                          | 29.0                 | 15.1                    | 51.0                        | 33.2                        |
| <b>Serbia</b> <sup>(5) (7)</sup>                                | 70.1                          | 20.9                 | 28.2                    | 46.3                        | 27.1                        |
| <b>Kosovo / UNSCR 1244</b> <sup>(8) (9)</sup>                   | 93.5 <sup>(2)</sup>           | 47.2 <sup>(10)</sup> | 27.9 <sup>(11)</sup>    | 78.6                        | 10.0                        |

(1) Based on quarterly values. (2) Without NPISH. (3) 2005 data. (4) Provisional values. (5) Estimated values. (6) 2003 data. (7) Excluding Kosovo and Metohia. (8) 2004 data. (9) Forecasts. (10) Including donor sector. (11) Including donor sector, general government, private investment (housing and other).

**Consumer price indices, 2006 (% change of the previous year) <sup>(1)</sup>**



(1) Montenegro, not available. (2) National consumer price index (not strictly comparable with interim HICPs). (3) Variation between December of one year compared with December of the previous year. (4) 2004 data.

**Public balance and general government debt (% of GDP)**

|  | General government deficit/surplus |                    |                    | General government debt |                     |                     |
|--|------------------------------------|--------------------|--------------------|-------------------------|---------------------|---------------------|
|  | 1996                               | 2001               | 2006               | 1996                    | 2001                | 2006                |
| <b>EU-27</b>                                     |                                    | 3.1 <sup>(1)</sup> | 1.7                | :                       | 61.8 <sup>(1)</sup> | 61.7                |
| <b>Croatia</b>                                   | 7.1 <sup>(2)</sup>                 | 6.8 <sup>(3)</sup> | 3.0 <sup>(3)</sup> | 33.0 <sup>(2)</sup>     | 41.3                | 40.9                |
| <b>The former Yugoslav Republic of Macedonia</b> | 0.3 <sup>(2)</sup>                 | 2.5                | 0.1 <sup>(1)</sup> | 32.0 <sup>(2) (4)</sup> | 48.8                | 37.6 <sup>(5)</sup> |
| <b>Turkey</b>                                    | 14.5 <sup>(6)</sup>                | 33.0               | 0.4                | 57.4 <sup>(6)</sup>     | 104.4               | 60.7                |
| <b>Albania</b>                                   | 10.4                               | 6.9                | 3.3                | 33.7                    | 58.5                | 59.7                |
| <b>Bosnia and Herzegovina</b>                    | :                                  | 0.7 <sup>(1)</sup> | 2.9                | 37.9 <sup>(6)</sup>     | 38.1                | 21.3                |
| <b>Montenegro</b>                                | :                                  | :                  | :                  | :                       | :                   | :                   |
| <b>Serbia</b>                                    | :                                  | :                  | :                  | :                       | :                   | :                   |
| <b>Kosovo / UNSCR 1244</b> <sup>(7)</sup>        | :                                  | 8.4 <sup>(8)</sup> | 2.7 <sup>(5)</sup> | :                       | :                   | :                   |

(1) 2003 data. (2) 1999 data. (3) GFS 1986 basis; privatisation revenues are excluded and reclassified to the financing of the balance. (4) Uncertain data. (5) 2004 data. (6) 2000 data. (7) GDP data from IMF sources. (8) 2002 data.

**MORE INFORMATION**

**European Commission**

For general information regarding European statistics, please go to Eurostat's web site, at <http://epp.eurostat.ec.europa.eu>

For information on statistical classifications, please go to Eurostat's classifications server RAMON: [http://ec.europa.eu/comm/eurostat/ramon/index.cfm?TargetUri=DSP\\_PUB\\_WELC](http://ec.europa.eu/comm/eurostat/ramon/index.cfm?TargetUri=DSP_PUB_WELC)

For more specific questions on statistics in relation to the candidate and potential candidate countries, please contact: Eurostat Unit E4 - Statistical Cooperation with European and Mediterranean Countries  
5, rue Alphonse Weicker, L 2721, Luxembourg  
e mail: ESTAT E4 REQUESTS@ec.europa.eu  
fax: (352) 4301 32139

For more information on European policies in this area, please go to:

[http://europa.eu.int/pol/ext/index\\_en.htm](http://europa.eu.int/pol/ext/index_en.htm)  
[http://europa.eu.int/pol/enlarg/index\\_en.htm](http://europa.eu.int/pol/enlarg/index_en.htm)

**National statistical institutes**

- Croatia ..... <http://www.dzs.hr>
- The former Yugoslav Republic of Macedonia ..... <http://www.stat.gov.mk>
- Turkey ..... <http://www.die.gov.tr/english/index.html>
- Albania ..... <http://www.instat.gov.al>
- Bosnia and Herzegovina <http://www.bhas.ba>
- Montenegro ..... <http://www.monstat.cg.yu/>
- Serbia ..... <http://webzrzs.statserb.sr.gov.yu/axd/>
- Kosovo/UNSCR 1244 ..... <http://www.ks-gov.net/esk/>