



NBP Annual Flagship Conference on the Future of the EE
***"Crystal ball" Panel: Prospects for Central Europe's Convergence in
the future***

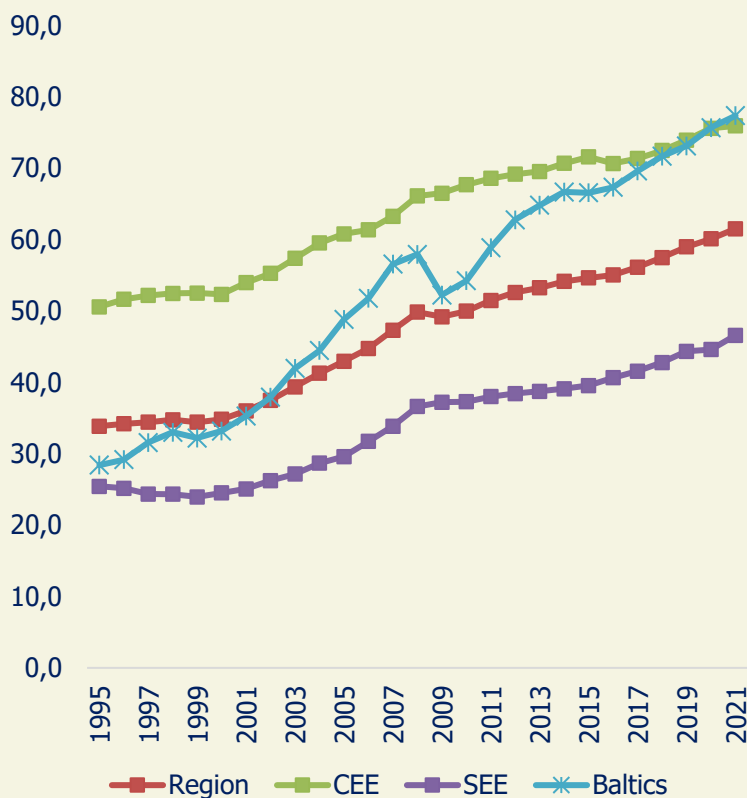
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National Bank of Republic of North Macedonia
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Over the last three decades remarkable progress in convergence, but speed differs across countries and time

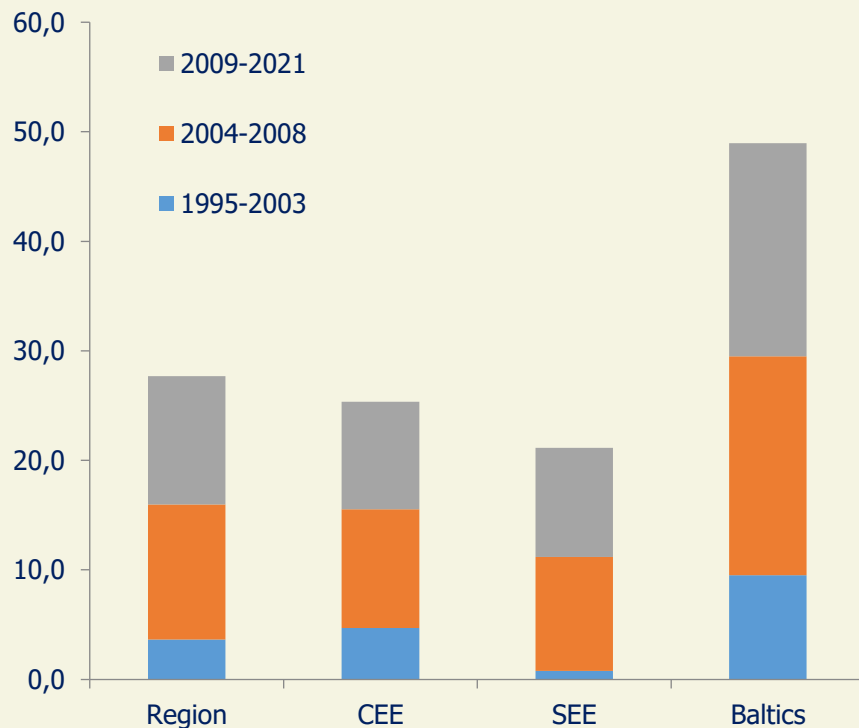
(in the last decade slowdown)

Volume indices of real GDP per capita (in PPS EU15=100)



Real convergence by sub-periods

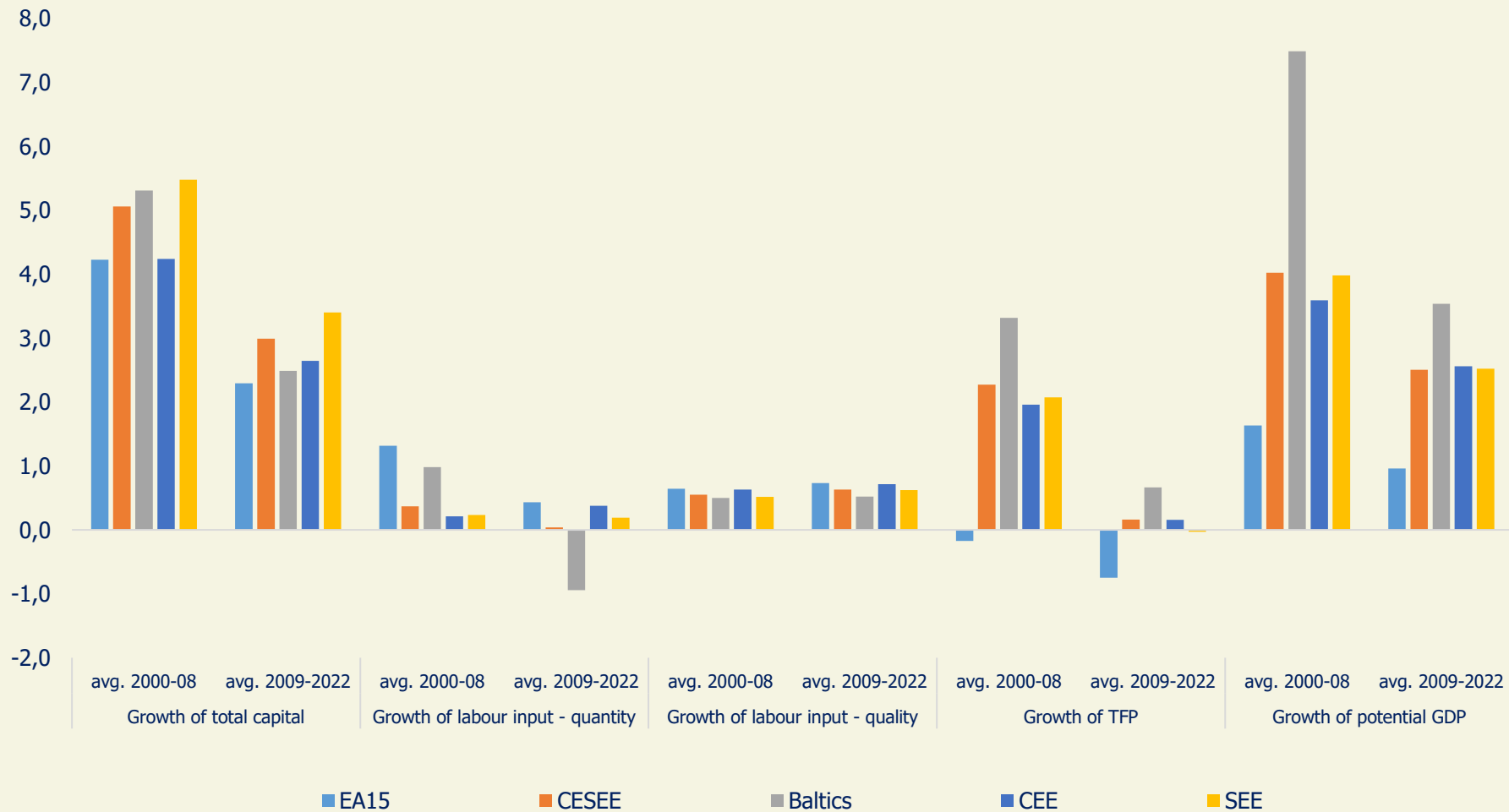
(difference in GDP per capita in PPS (EU15=100) by country groups)





Slowdown in the last decade reflects cyclical and structural factors as potential growth has significantly decelerated

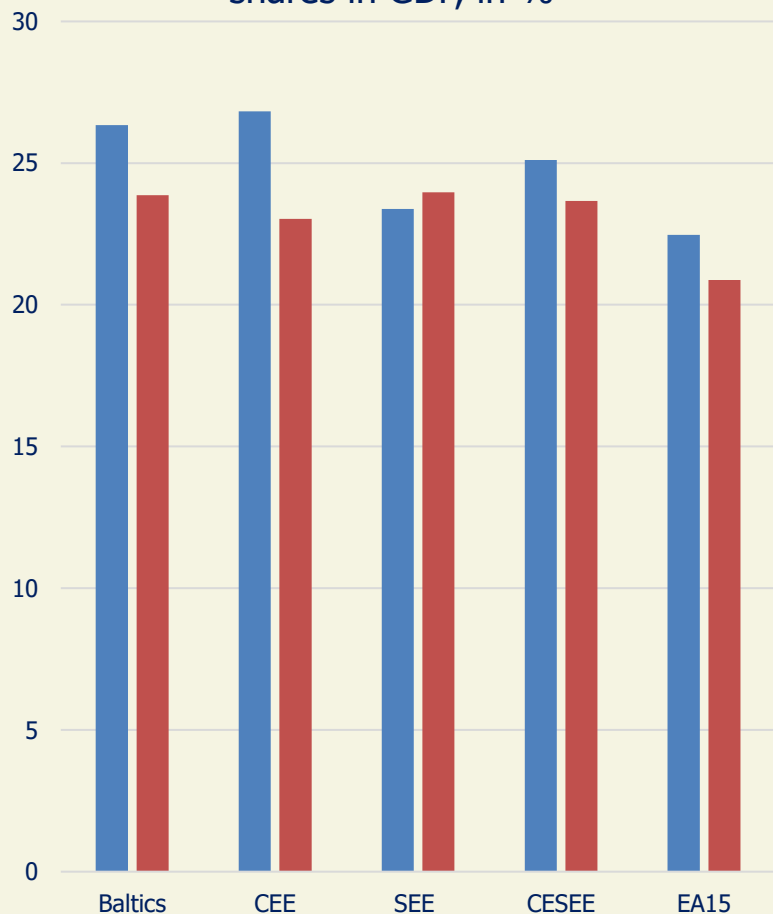
Potential GDP and factors of production (growth rates by periods)





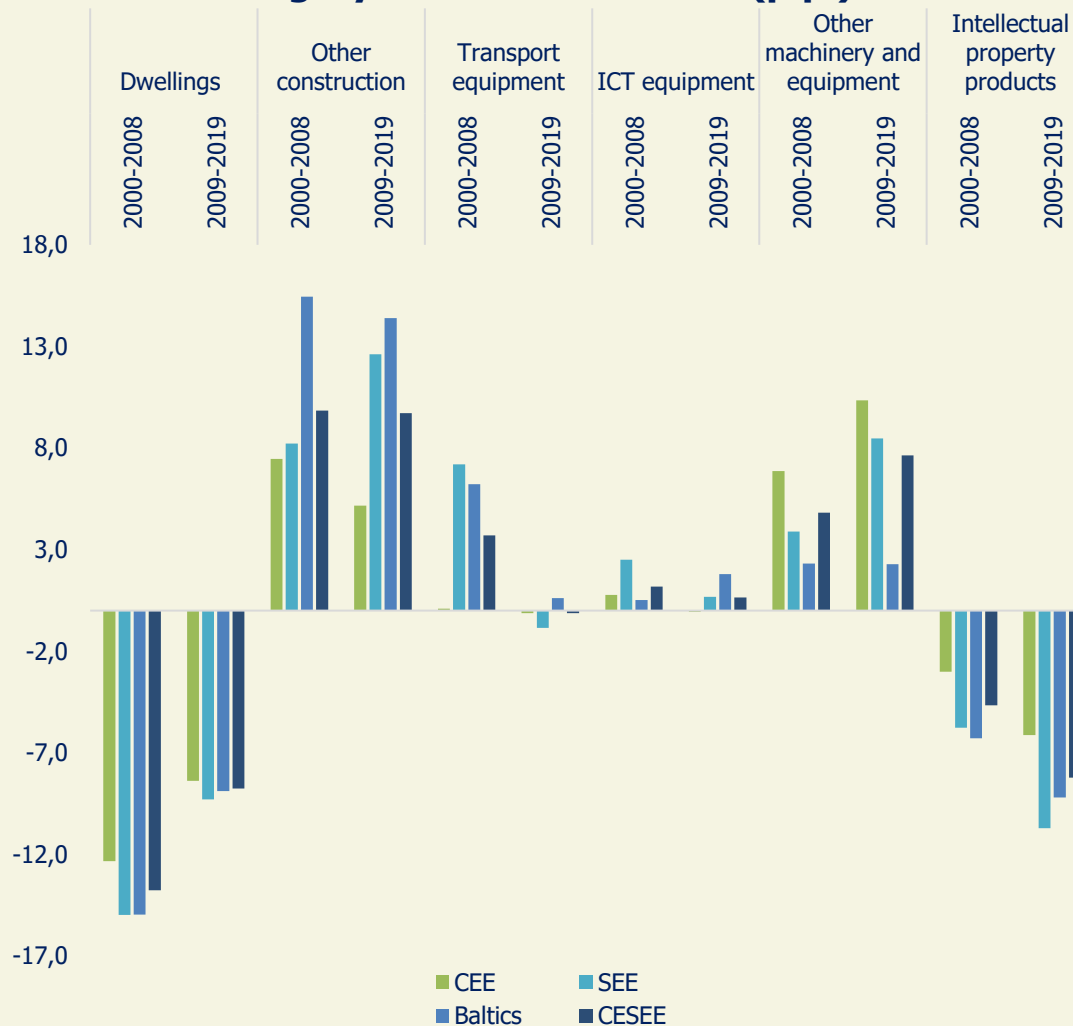
Growth of capital decelerated due to lower investments

Investments, shares in GDP, in %



■ average shares in GDP 2000-2008, in %
 ■ average shares in GDP 2009-2021, in %

Investment categories, difference vis-à-vis the EA15 in the share of the respective category in total investment (p.p.)

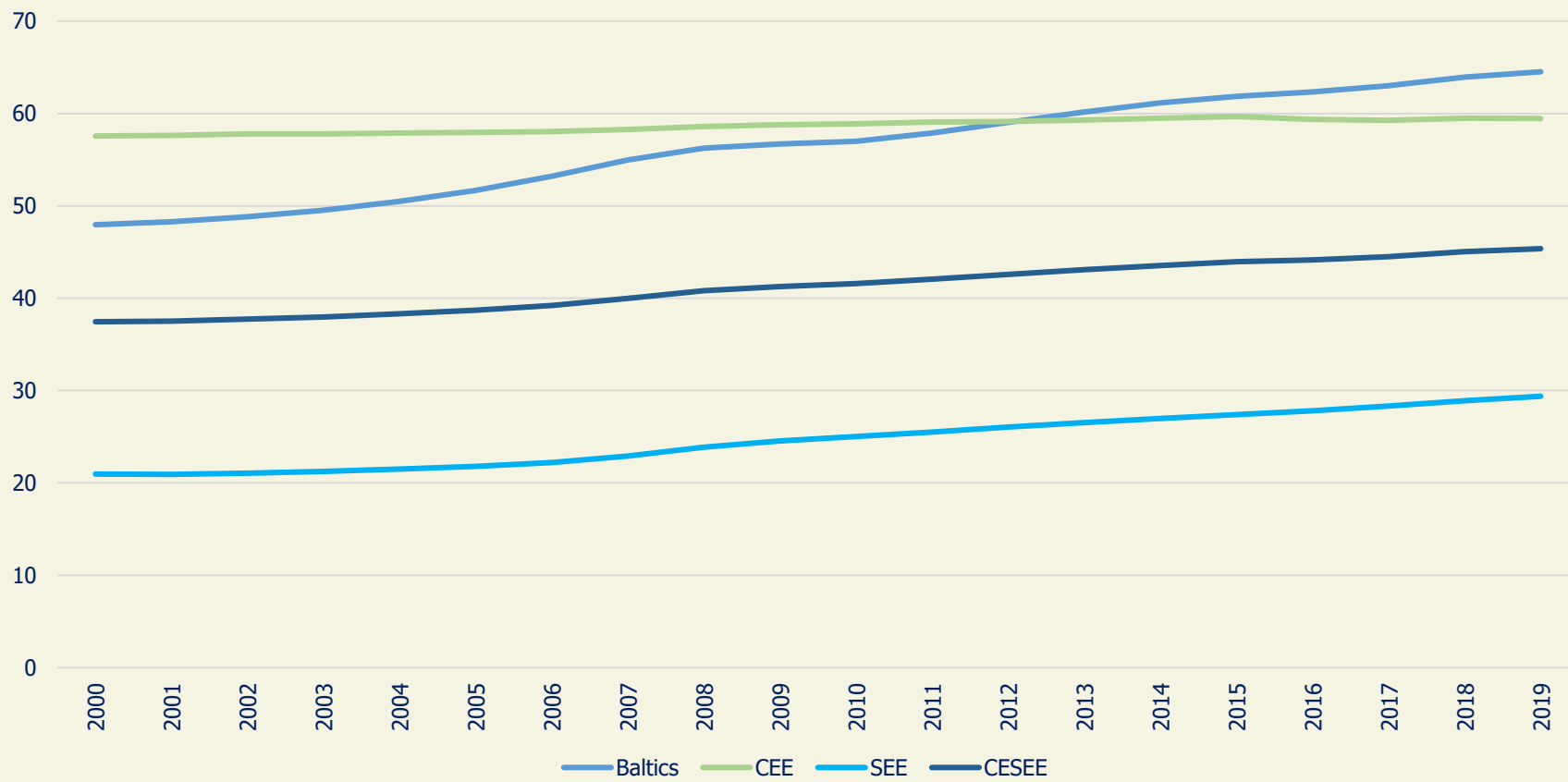


■ CEE ■ SEE
 ■ Baltics ■ CESEE



Capital stock gaps remain sizable

Real Capital Stock, per capita, EA15=100
(averages for regions)



Source: Penn World Tables and NBRM staff calculations.