

SOUTH EAST EUROPE REGIONAL CONFERENCE

Self Assessment and Removal of Administrative Barriers To Investment

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by Antonio Fanelli
Principal Administrator
Investment Compact for South East Europe



THE OBJECTIVES:

- **Attracting and Encouraging Investment in SEE**
- **Improving the Investment Climate**
- **Promoting and Monitoring the Implementation Process of reforms**

THE KEY PRINCIPLES:

- **“Ownership” of process with SEE countries**
- **Partnership & Coordination with SEE countries, IFIs, Donor countries, and all Stability Pact participants**
- **Private Sector has Central & Active Role**
- **Focus on implementation**
- **Monitoring process of reforms: open, transparent and independent**
- **Cross regional comparison**



THE PROCESS AND TOOLS:

- **Monitoring Process**
- **Implementation of Reform through selected Regional Flagship Initiatives**
- **Private Sector Involvement**
- **Political Support for Investment Compact Activity**



THE MONITORING INSTRUMENTS

- Unique instrument to monitor implementation across the region
 - *Set up in co-operation with SEE countries*
- Policy Priorities identified: Short term targets and medium term priorities
 - *Three critical measures to be introduced by July 2003*
 - *Up to nine priorities in three policy areas*



THE MONITORING INSTRUMENTS

- Key reporting elements
 - *Type of Measures, Responsibility for Action, Target Completion Date, and Status*
- Allows progress in key reform areas to be compared across countries
 - *Regular Monitoring, next Interim Report to be published in March 2003*



REGIONAL FLAGSHIP INITIATIVES

- Selected initiatives
- Capacity building and peer review
- Areas of focus:
 - *Foreign Direct Investment Policy Promotion*
 - *Entrepreneurship and Enterprise Development*
 - *Regulatory Reform*



PRIVATE SECTOR INVOLVEMENT

- Central to Investment Compact process
 - BAC, BIAC, FICs, SME Associations
- Feedback on policy reform measures
- Foreign Investors Councils
- Regional Network



POLITICAL SUPPORT

- **Ministerial Declaration on Attracting Investment: Common Principles and Best Practices**
 - *Adopted at the Ministerial Conference held in Vienna on 18 July 2002*
 - *Key concrete step towards investors priorities regarding regional markets and a harmonised environment that facilitates investment at regional level*



HOW WE CAN WORK TOGETHER

- We share the same objectives
- We all consider the reduction of administrative barriers a policy priority
- We know that in SEE they are more than simple “irritants” for the entrepreneurs



HOW WE CAN WORK TOGETHER

- **Have a disproportionate impact on small business**
- **Create room for extracting bribes and distorting competition**
- **Provide incentives and protection to the enterprises operating informally**



HOW WE CAN WORK TOGETHER

- The Enterprise Policy Performance Assessments (EPPAs)
- The Regulatory Reform Initiative
- The Monitoring Instruments
- Co-ordinating the activity of the FIAS working groups/Steering committees and the IC Country Economic Teams



HOW WE CAN WORK TOGETHER

- **Monitoring the Implementation of the Action Plans**
- **Building consensus around reforms**
- **Using Peer Pressure, benchmarking and cross country comparisons**

