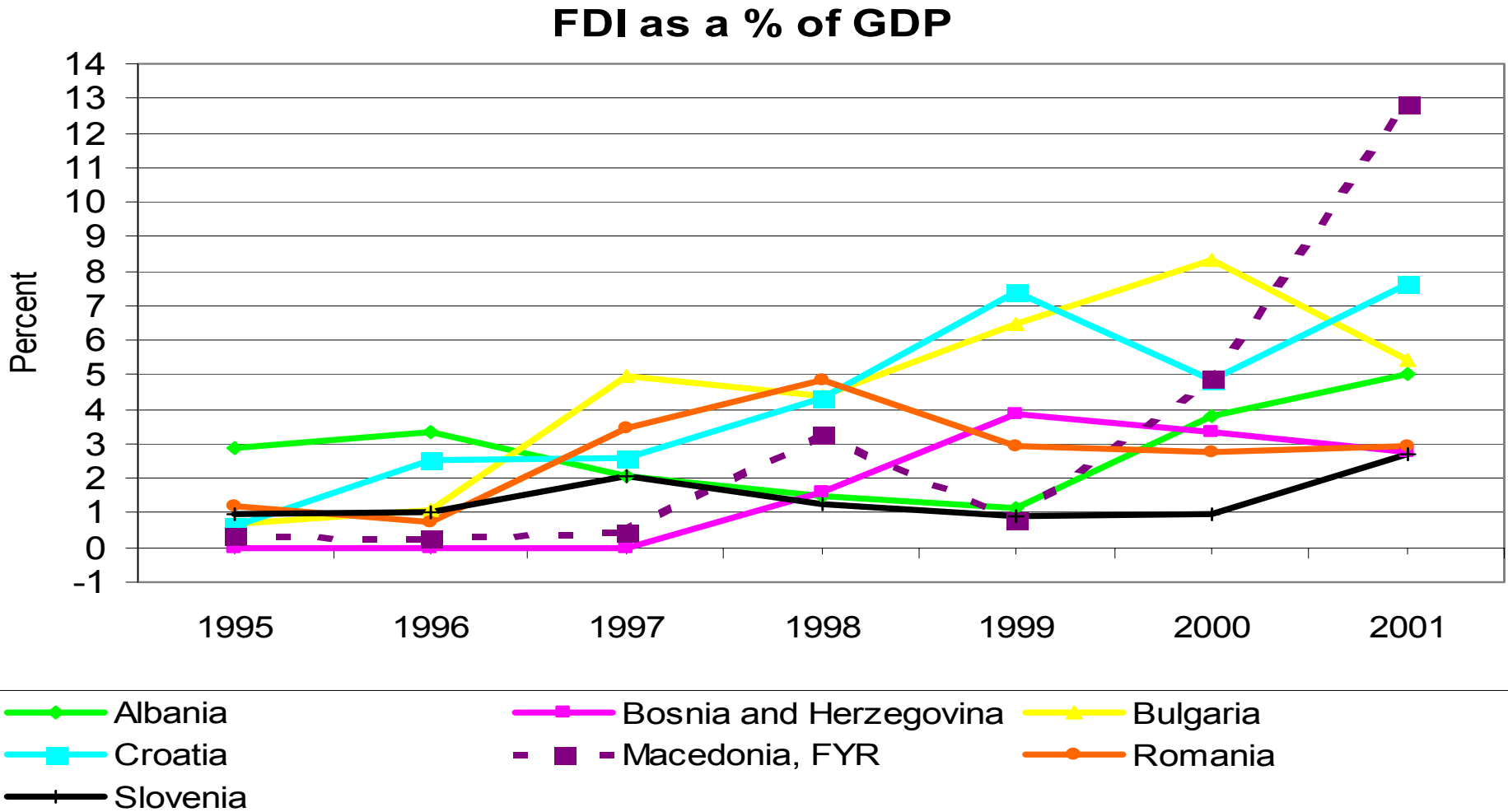


FIAS in S. E. Europe

- CLIENTS: Albania, B&H, Bulgaria, Croatia, Macedonia, Romania, Serbia, Slovenia
- DONORS/PARTNERS: Switzerland, DFID, USAID, SIDA, OECD, EBRD, World Bank, IFC, SME, SEED, Investment Compact

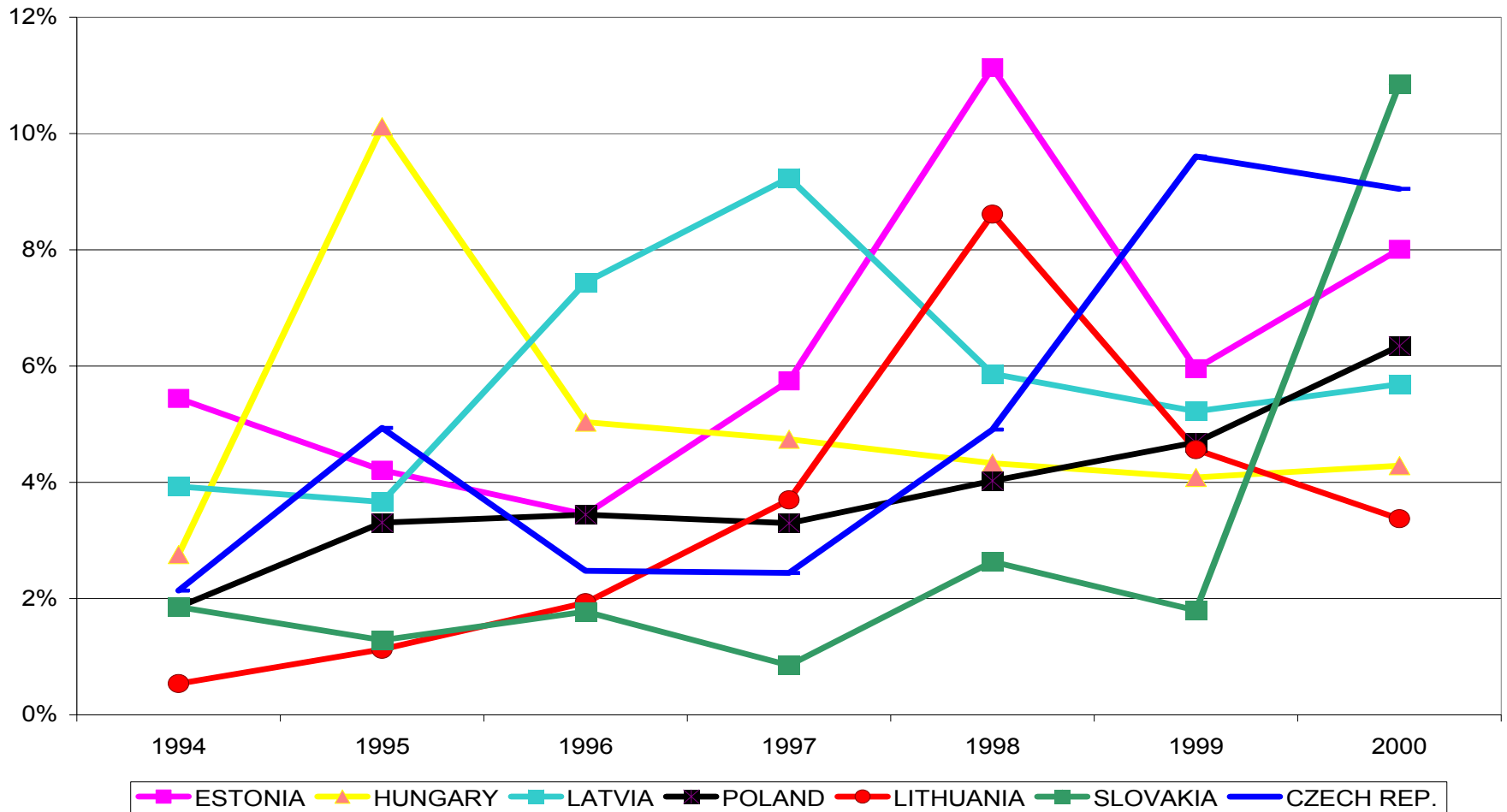


FDI Flows in S.E. Europe

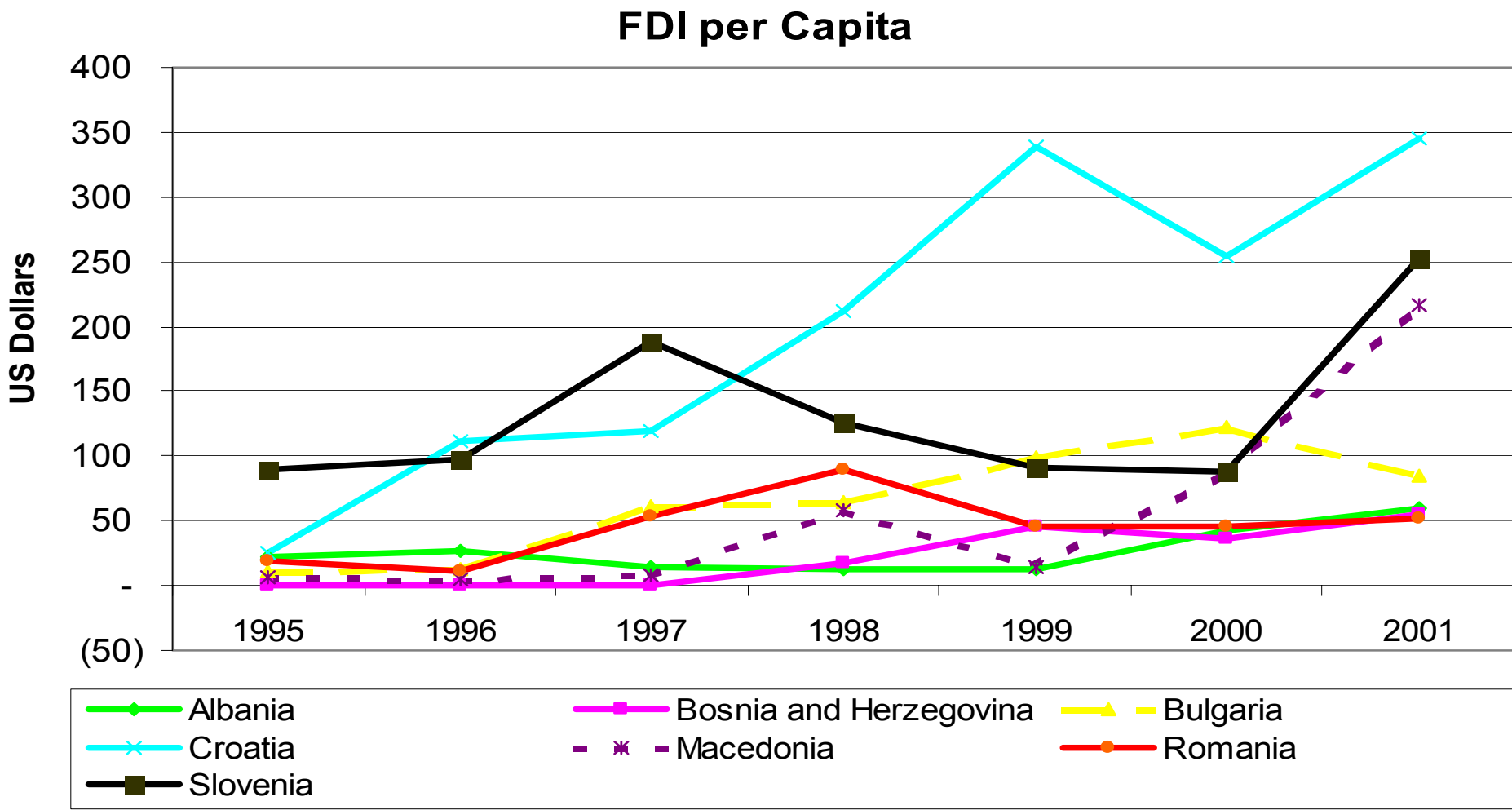


FDI Flows in Central Europe

FDI as a % of GDP

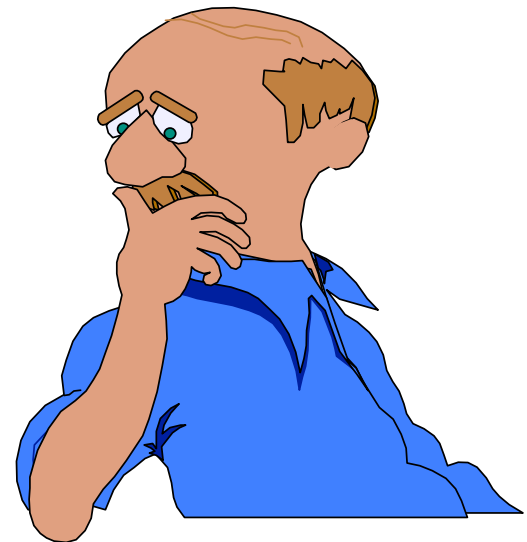


FDI Per Capita



Administrative Barriers to Investment – Self-Assessment

- Admin. Barriers Studies:
 - Self-assessment version
 - Updates
- Strategies for follow-up:
 - On-going dialog and reform
 - Monitoring and evaluation
 - Competition and league table



Overview

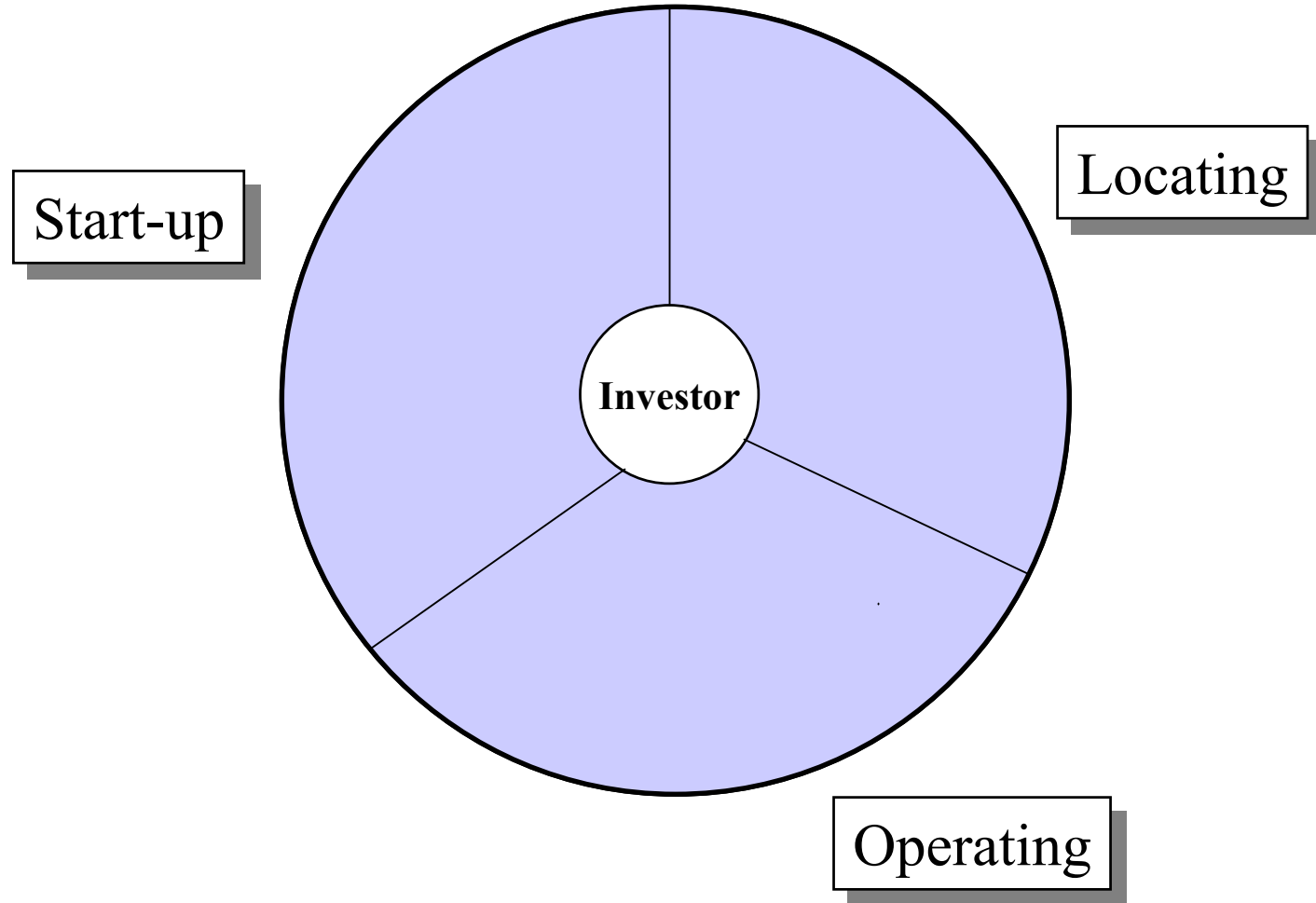
- **Phase I: Identifying the Problems:**
 - Comprehensive description of investment procedures
 - Identification of problem areas
 - Analysis and Recommendations
- **Phase II: Developing an Action Plan**
- **Phase III: Implementing Reforms**
- **Phase IV: Monitoring and Evaluation**

Pre-Requisites

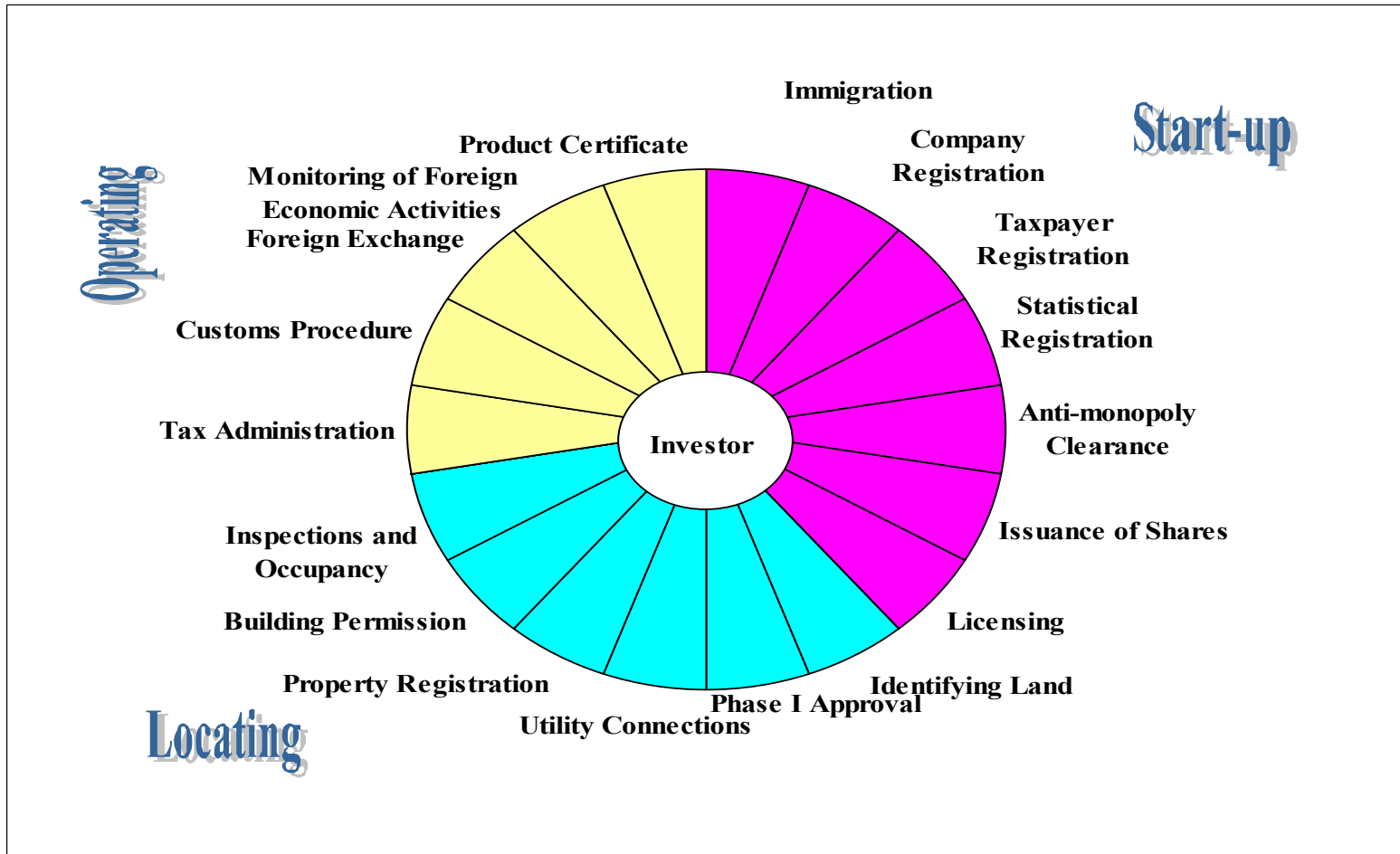
- A political Champion
- A Steering Committee including:
 - Relevant Government agencies
 - Representatives of the private sector
- A Secretariat



Phase I: We Divide Investment Procedures into Three Groups

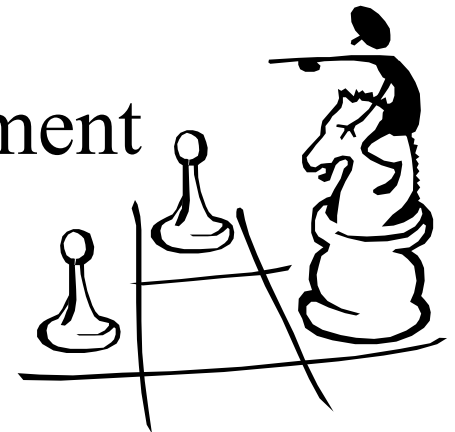


The Three Groups include 12-18 Basic Procedures



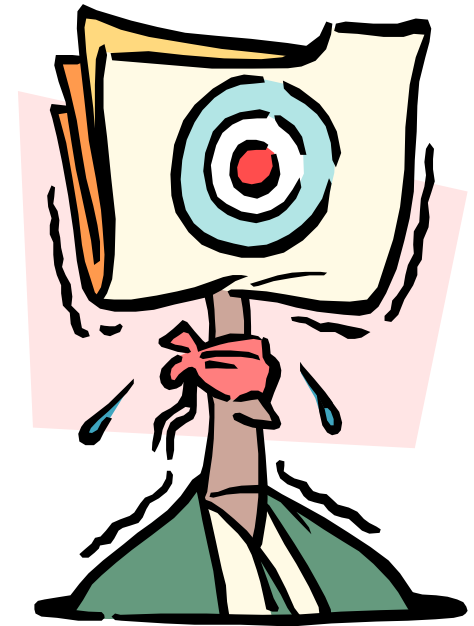
Draft Report

- Description of each of the procedures
- Analysis:
 - Investors' experiences
 - Cross-region and international comparisons
 - Strengths and weaknesses
- Recommendations for improvement



Description: Government side

- The Investor wants to know (make templates for each procedure/agency) :
 - Where do I go?
 - What do I do?
 - What must I bring?
 - How long will it take?
 - How much will it cost?



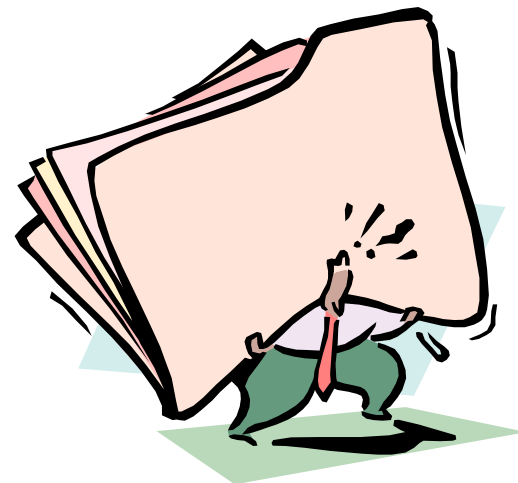
Data from Agencies

- Hard data from each of the agencies
 - Number of line staff
 - Volume of transactions
 - Average processing speed
 - Date received
 - Date completed
 - Number of rejects
 - Number of appeals
 - Outcome of appeals



Description: Business Side

- Survey of Administrative/Regulatory Costs (businesses' reported experiences)
 - How long does it take?
 - Duration from start to finish
 - Person-days of staff time
 - How much does it cost?
 - Official fees
 - Other costs (e.g., to hire lawyers, pay bribes)
 - Other issues (e.g., overall satisfaction, consistency of treatment, attitude, appeals procedures, etc.)

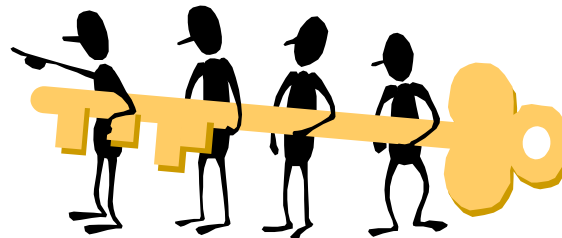


In-Depth Analysis and Recommendations

- Use specialized consulting expertise
- Compare descriptions – government view vs. business view
- International comparisons
- Investigate problem areas with international expertise
- Develop recommendations for improvement (laundry list)

Phase II: Public/Private Sector Dialog

- discuss findings and recommendations of report;
- prioritize among recommendations;
- discuss how recommendations can be implemented
- prepare Action Plan to present to Policy Makers and donors



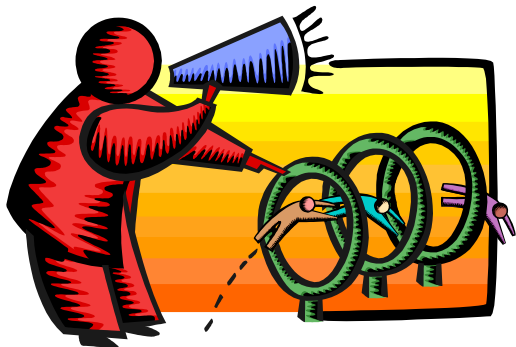
Action Plan

- What are the problems?
- What is to be done?
- Who will do it?
- When will it be completed?
- How will we measure impact?



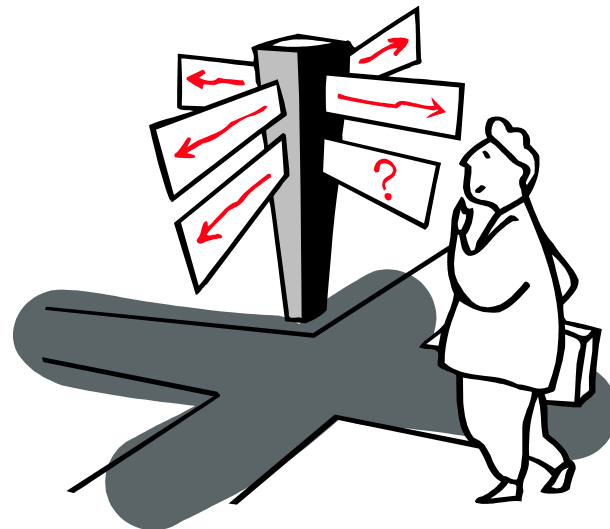
Phase III: Implementation

- Responsibility of Government
- Often supported by donor programs
 - Structural Adjustment Programs
 - Major reform projects (e.g., tax administration reform, customs reform, etc.)



Phase IV: Monitoring and Evaluation

- Once reforms have been agreed, there is a need to monitor implementation
 - Checklist of reforms
 - Data from agencies
 - Business surveys
- Evaluate Impact
- Revise reform agenda



Business surveys/templates

- Follow-up to baseline survey
 - Comparisons over time
 - Comparisons between agencies
 - Comparisons across countries (benchmarking)
 - Identify problem areas
- League table of agencies
- League table of regions/localities

Cycle of reform

