



Sector Competitiveness Project

Improving new investment finance options in the Western Balkans

Investment Committee for South East Europe:
Conference on Access to Finance

Agenda
8 June 2010

Skopje, Macedonia

With the financial support of:



The European Union

Background

To attract more investment, increase trade and develop its full economic potential, the Western Balkans need a regional sector specific approach. Such an approach will address sector specific investor requirements and policy barriers. The OECD *Sector Competitiveness Project* was initiated with the support of the European Union to tackle this challenge and complement existing initiatives at the national level. To do so, the Project investigated three sectors: the apparel manufacturing sector, the automotive components sector and the information communications and technology and business process outsourcing sector.

Despite expectations to the contrary, the apparel manufacturing industry in the Western Balkans is attractive to foreign investors. It is also a growth opportunity for domestic enterprise. This is confirmed by the findings of the report *Recommendation for a Regional Investment Strategy*, which analysed the apparel manufacturing industry and identified barriers to its development. The main strengths of the region are: geographic proximity, close links with European markets, cost competitiveness and strong history and knowledge in the sector. However, to fully exploit these advantages, firms need to make needed upgrades in business processes and technology. One of the biggest barriers preventing firms from making these improvements is the difficulty they have in accessing finance.

Objectives and Scope of the Workshop

To address the difficulty apparel manufacturing firms, and small and medium-sized firms in general, have accessing finance, the OECD is investigating good practice policies and institutions in OECD and non-OECD countries. The Access to Finance Conference will provide a forum to present some of the findings, and it will also provide a key networking opportunity for SEE policymakers on issues related to access to finance. The particular areas to be discussed will be:

- *Good practices in credit guarantee schemes*: many OECD and SEE countries have implemented programmes to offer eligible companies insurance against credit default. What are the design features of the most successful programmes?
- *Good practices in credit information sharing*: a strong financial system relies on information exchange between creditors on the credit worthiness of potential borrowers. What are best practices in the operation of credit information bureaus?
- *Programmes to improve investment readiness*: demand side skills are often neglected. For example, evidence suggests that a lack of good projects limits venture capital expansion. What programmes exist in SEE and OECD countries relevant to improving the project design and presentation skills of SEE business owners?
- *Effective communication of existing programmes*: one weakness is the ineffective promotion of programmes that are already in place – e.g. banks are often unaware of the services provided by credit guarantee schemes. What can SEE countries do to better publicise existing programmes to improve access to finance?

TUESDAY 8 JUNE 2010

09:00-09:30 WELCOME AND OPENING REMARKS

Mr. Metodij Hadzi-Vaskov, Deputy Minister
Republic of Macedonia, Ministry of Economy

Mr. Antonio Fanelli, Deputy Head, Private Sector Development Division
Organisation for Economic Co-operation and Development

09:30-10:30 ACCESS TO FINANCE IN SOUTH EAST EUROPE

09:30 -10:00 OVERVIEW OF ACCESS TO FINANCE DEVELOPMENT IN THE WESTERN BALKANS: PRESENTATION OF THE IRI 2009 FINDINGS

Mr. Nicolas Philipponnet, Policy Analyst
Organisation for Economic Co-operation and Development

10:00-10:30 REACTIONS AND COMMENTS

10:30-10:45 COFFEE BREAK

10:45-12:30 GOOD PRACTICES IN CREDIT GUARANTEE SCHEMES

10:45 – 12:00 LESSONS FOR POLICY FROM THE OECD AREA AND REGIONAL EXPERIENCE

Mr. Antonio Gaspar, Board Member
European Mutual Guarantee Association (AECM)
Mrs. Katarina Markovic, Chief of the Cabinet
Croatian Agency for Small Enterprises
Ms. Ines Gasparlin, Director
Zagorska Development Agency

12:00– 12:30 REACTIONS AND COMMENTS

12:30-13:30 LUNCH BREAK

13:30-15:15 GOOD PRACTICES IN CREDIT INFORMATION SHARING

13:30-14:45 LESSONS FOR POLICY FROM THE OECD AND REGIONAL EXPERIENCE

Ms. Erin Hengel, Policy Analyst
Organisation for Economic Co-operation and Development
Ms. Elena Touyova
Financial Analyst
Bulgarian Credit Rating Agency
Mr. Milan Brkovic
Advisor for Credit Bureau International Cooperation
Association of Serbian Banks

14:45-15:15 REACTIONS AND COMMENTS

15:15-15:45 COFFEE BREAK

15:45-17:30 GOOD PRACTICES IN INVESTMENT READINESS PROGRAMMES

15:45-16:30 LESSONS FOR POLICY FROM THE OECD AND REGIONAL EXPERIENCE

Ms. Jennifer Kwok, Executive
NetPark Technology Incubator

16:30-17:30 REACTIONS AND COMMENTS

17:45-18:15 CONCLUDING REMARKS AND NEXT STEPS

17:30-17:45 EFFECTIVE COMMUNICATION OF EXISTING SCHEMES TO IMPROVE ACCESS TO FINANCE

Mr. Antonio Fanelli and Ms. Erin Hengel, Deputy Head and Policy Analyst
Organisation for Economic Co-operation and Development

17:45-18:15 CONCLUDING REMARKS

Antonio Fanelli, Deputy Head, Private Sector Development Division,
Organisation for Economic Co-operation and Development