Paris, 18 November 2002

OECD, Stability Pact Partners Urge Further Reform Efforts in South East Europe

Government representatives from the countries of South East Europe will meet at OECD headquarters in Paris on 19-20 November 2002 to review progress towards economic reform in the region and lay out a road map for future work to further improve the investment climate in the region.

Erhard Busek, Special Co-ordinator of the Stability Pact for South East Europe, and Donald Johnston, Secretary-General of OECD, will discuss the pace of reform in the region - and efforts to accelerate it - at a news conference at 11.30 a.m. on Tuesday 19 November 2002 at the OECD. Government ministers and officials from South East European countries will also be available to respond to questions.

A newly published report on efforts to increase private investment in the region, Progress in Policy Reform in South East Europe - Monitoring Instruments, makes clear that much progress has already been made but that the level of achievement varies significantly from country to country.

According to the Monitoring Instrument report - published under the auspices of the Investment Compact for South East Europe, a key initiative of the Stability Pact - the countries of South East are showing a new determination to build a more stable and investment-friendly economic environment. Close to 50% of specific measures targeted by the SEE countries in the last two years and listed in the previous edition of the Monitoring Instruments have already been implemented.

However, the pace of economic reform remains uneven, both across the region and across the various policy areas. Over the last 12 months, Romania, Bulgaria, Croatia, as well as Serbia, Albania and Montenegro have achieved positive results in terms of economic reform implementation. However, the pace of reform was slower in Bosnia-Herzegovina and Moldova and the Former Yugoslav Republic of Macedonia.

In an effort to accelerate reforms, each country has identified a maximum of three concrete actions that they have committed to implement within a period of 6-12 months. These targeted policy measures are intended to have a significant impact on the environment for business and investment. In addition, SEE countries have identified top policy priorities within the three main policy areas of the Investment Compact: investment policy and promotion; enterprise development and small and medium-sized enterprise support; governance, competition and regulatory reform.
Participants in the Paris meeting will also address other steps to improve the region’s attractiveness to investors, focusing on four main activities: monitoring progress, regional initiatives to implement reform, assuring political support for the reform process, and encouraging private sector involvement.

Countries participating in the Investment Compact are Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Former Yugoslav Republic of Macedonia, Moldova, Romania, and the Federal Republic of Yugoslavia: Serbia and Montenegro.

To obtain the text of the Monitoring Instruments report and to register for the news conference, journalists are invited to contact the OECD’s Media Relations Division (news.contact@oecd.org). For further information on the Stability Pact Investment Compact, journalists are invited to contact Pamela Edwards, Information Co-ordinator, Investment Compact Team, Organisation for Economic Co-operation and Development (OECD) (Tel. [33] 1 45 24 91 25 - Fax: [33] 1 45 24 93 35 or Pamela.Edwards@oecd.org).