OECD and EU launch project to reinforce competitiveness and sustainability in the Western Balkans and Türkiye

30/11/2022 – The OECD South East Europe Regional Programme and the European Commission’s Directorate-General for Neighbourhood and Enlargement are launching a four-year project in the Western Balkans (Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, and Serbia) and Türkiye. The project, supported by the European Union, aims to reinforce economic governance and integration, while strengthening resilient and competitive markets, in line with the OECD global relations strategy and the EU enlargement strategy, the Economic and Investment Plan for the Western Balkans, and the Green and the Digital Agendas for the Western Balkans.

Building on the longstanding OECD-EU co-operation in South East Europe, the OECD will extend its support to align policies in the region with OECD, EU and international best practices, to facilitate competitive, sustainable and inclusive economic growth. The project aims to address persistent structural weaknesses through comprehensive evidence-based assessments and by engaging government authorities and stakeholders in the policy design process to address identified challenges. In parallel, it will support the implementation of reforms through institutional capacity building efforts and peer learning platforms. The assistance will focus on three core areas:

1. **“Building back better” through the OECD Competitiveness Outlook for South East Europe.** By covering 16 policy areas key to competitiveness (e.g. trade, investment, skills, digitalisation, energy), the fourth edition of the Outlook will continue to provide one of the most comprehensive assessments of policy performance in the Western Balkans and support the region in addressing fundamental structural challenges and fostering economic resilience. Applying a highly inclusive approach, it facilitates stakeholder engagement and commitment for reform action.

2. **Accelerating SMEs’ recovery through the Small Business Act Assessment.** Noting the significance of SMEs in the region, the OECD will take on the seventh edition of the OECD SME Policy Index: Western Balkans and Türkiye, helping governments identify the best reforms to accelerate the recovery of SMEs, while supporting skills and their international value chain integration, as well as their green and digital transformations. This work aims to strengthen the capacity of governments to respond to SMEs’ needs and to contribute to a business-friendly environment, drawing upon best practices and standards from the OECD and the EU.

3. **Supporting green transition through circular economy roadmaps.** Recognising that the shift to a circular economy is of growing importance in the Western Balkans, as it contributes to a more sustainable use and preservation of natural resources as well as lower production costs and higher resource independence, the OECD will support governments from the region in preparing and implementing circular economy roadmaps to accelerate their green economic recovery and growth.

The OECD South East Europe webpage: [https://www.oecd.org/south-east-europe/](https://www.oecd.org/south-east-europe/)

The sixth edition of the publication: [SME Policy Index: Western Balkans and Turkey 2022](https://www.oecd.org/south-east-europe/)

The third edition of the publication: [Competitiveness in South East Europe 2021: A Policy Outlook](https://www.oecd.org/south-east-europe/)

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*This designation is without prejudice to positions on status, and is in line with United Nations Security Council Resolution 1244/99 and the Advisory Opinion of the International Court of Justice on Kosovo’s declaration of independence.*
For further information, contact Ms Anita Richter from the OECD Global Relations and Cooperation Directorate / South East Europe Division: SEE.Conference@oecd.org