



Economic Reform Programmes

Oliver Klabunde
DG NEAR

Outline

- 1. A brief history of Enlargement countries economic programmes**
- 2. The ERP exercise – from the Guidance note to the Joint conclusions**
- 3. Main findings on the ERPs 2016-2018**
- 4. The way ahead: The right balance between structural reforms and infrastructure investments**



A brief history of Enlargement countries economic programmes

1. Since 2001: PEPs (CCs)
2. Since 2007: EFPs (PCCs)
3. Since 2015: ERPs (All countries)

From the PEPs to the ERPs

PEPs / EFPs

EU assessment;
Capacity building,
Broad outline of
objectives and
respective policy
framework

ERPs

EU assessment and
Economic guidance;
foster macroeconomic
stability, ensure fiscal
sustainability and
support long-term
growth and
competitiveness.

Structure of the ERP – Section 4

- Identification of key obstacles
- Analysis/Diagnostic by area and structural reform priorities
 1. Public Finance Management
 2. Energy, transport and telecommunications markets
 3. Sectoral development
 4. Business environment and reduction of the informal economy
 5. Research and innovation
 6. External trade and investment facilitation
 7. Education and skills
 8. Employment and labour markets
 9. Social inclusion, poverty reduction and equal opportunities
- Budgetary implications, stakeholder involvement

The ERP exercise – from the Guidance note to the Joint conclusions

- Guidance note (05/2016)
- ...
- Deadline for submission: 31 January 2017
- Commission assessment (02-03/2017)
- Analysis and discussion of ERPs (04/2017)
 - EFC-A
 - EFC
 - EPC
 - EMCO
- ECOFIN / Joint conclusions (05/2017)
- Guidance note (05/2017)
- ...

Main findings on the ERPs 2016-2018 (Macro/Fiscal)

- Economic growth prospects still improving.
- Growth expectations are subject to downside risks.
- Fiscal consolidation is ongoing, but debt stabilisation is still to be achieved.
- Transparent budgeting, stronger medium-term fiscal frameworks and the introduction of fiscal rules are still needed.

Main findings on the ERPs 2016-2018 (Structural)

- **Market economies Reform plans vary in terms of quality**
- **Imbalance between large-scale infrastructure projects and reforms to overcome structural weaknesses**
- **Certain challenges are mutually reinforcing**
- **Poor labour market performance**



The way ahead

Objective:

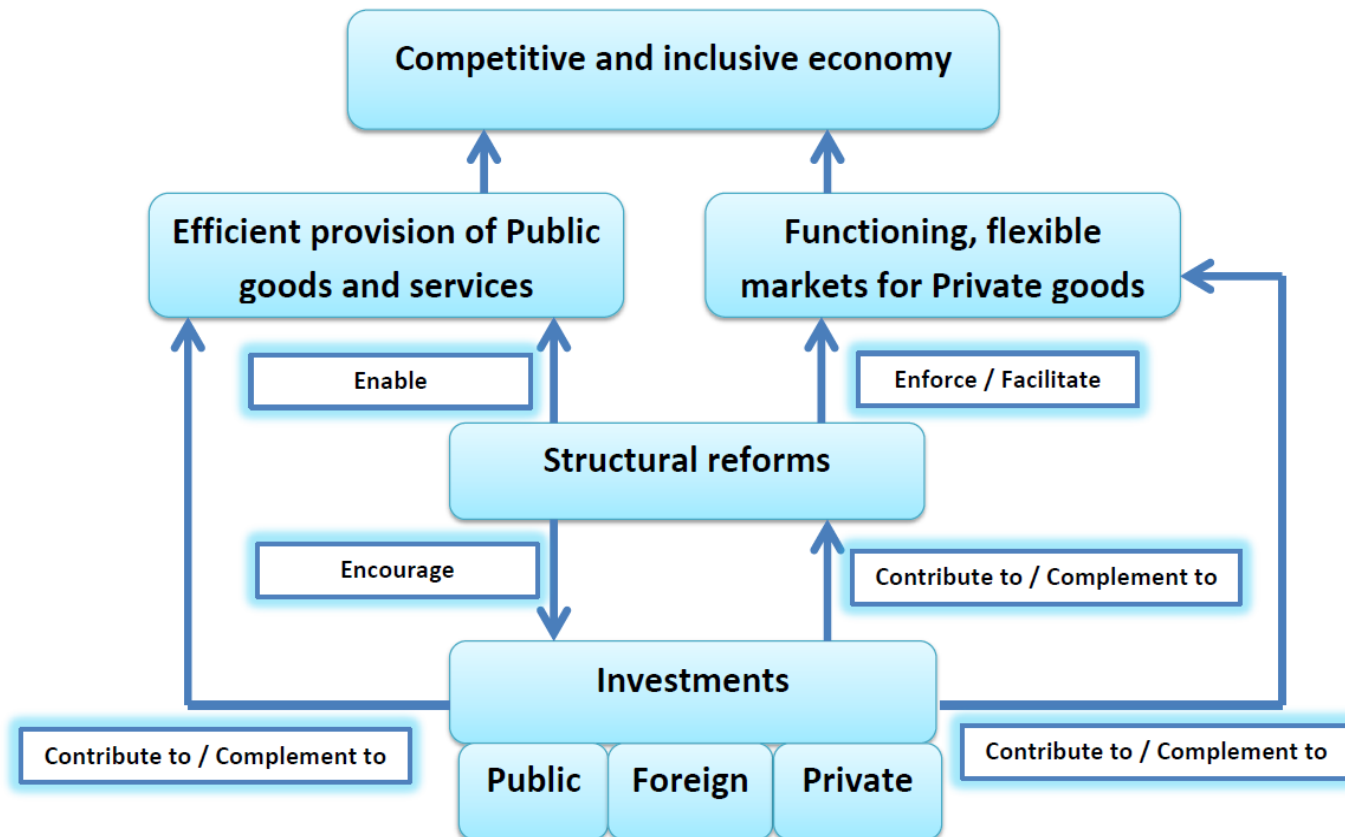
Finding the individual right balance between structural reforms and infrastructure investments

Exploring and making use of synergy effects between different approaches

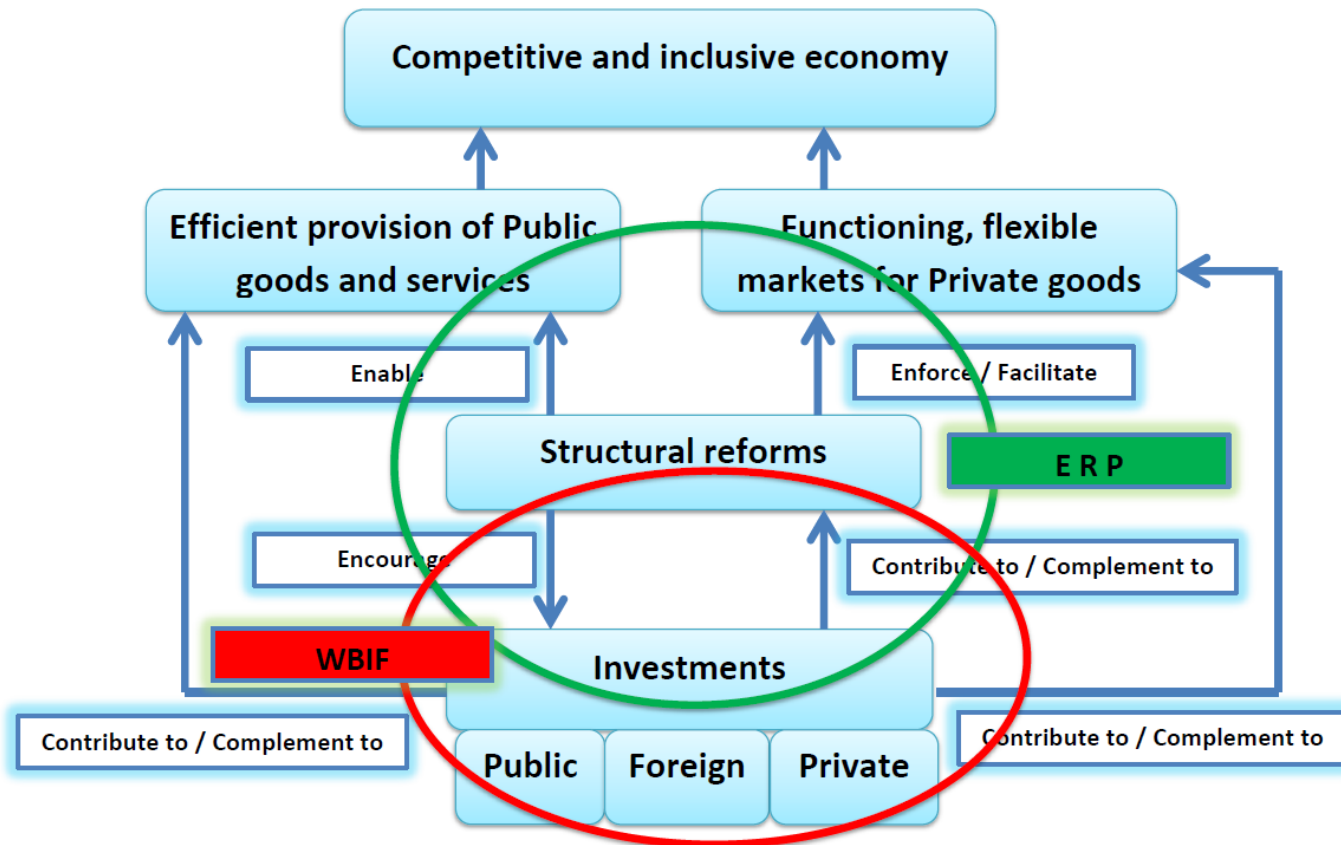
Instruments available:

ERP, IPA/WBIF, TAIEX, ...

ERP and WBIF



ERP and WBIF





Thank you!