

Invigorating

RIRA Policy Dialogue
between the **government**,
the **private sector** and the **civil society**

WHY IS REGIONAL ECONOMIC INTEGRATION OF THE WESTERN BALKANS 6 IMPORTANT?

FOR BUSINESSES

- ✓ To facilitate investors' entry and establishment, as well as the process of doing business in the region
- ✓ To expand across the region into new markets and reap the economies of scale of 20 million potential consumers
- ✓ To better integrate into European and global value chains
- ✓ To refocus growth towards human capital upgrades, innovation and digitisation

FOR CITIZENS

- ✓ To enable the unobstructed flow of goods, services, capital and skilled labour
- ✓ To help accelerate the economic convergence with the EU by increasing economic growth, job creation, prosperity, stability and overall quality of life.

If REA (Regional Economic Area) is put in place, economic growth in the region 2018-2022 would be above 4%, resulting in 15-17 billion EUR more in nominal GDP.

World Bank

FOR GOVERNMENTS

- ✓ To make the region more attractive on the global investment map
- ✓ To make goods and services from the region more competitive on the global market
- ✓ To boost the readiness to join the EU
- ✓ To promote institutional cooperation to tackle issues of common interest



HOW TO DO IT?

By creating a **Western Balkan 6 REA** based on **4** pillars:



TRADE

INVESTMENT

**LABOUR
MOBILITY**

**DIGITAL
INTEGRATION**

RIRA – Regional Investment Reform Agenda

WHY DO WE NEED IT?

- ✓ To ensure transparent and fair competition among the economies by mitigating a “race to the bottom”.
- ✓ To improve the attractiveness of the region for foreign and intra-regional businesses
- ✓ To facilitate higher inflow of investments and generate higher entrepreneurial activity, trade and ultimately jobs
- ✓ To align the legal frameworks for investment with EU and international best practices

HOW CAN IT BE DONE?

- ✓ Identify the issues that hinder investments into and throughout the Western Balkans
- ✓ Develop a reform agenda to overcome the regional investment barriers, tailor-made for each economy
- ✓ Track and monitor the progress in the implementation of the reform commitments
- ✓ Engage with the business associations, chambers of commerce and businesses interested in cross-border investments
- ✓ Develop a regional investment promotion initiative
- ✓ Streamline incentives and improve their transparency and governance

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