

# Speech by Deputy HR and Head of OHR Economic Department, Patrice Dreiski at the International Business Forum in Tuzla

Ladies and Gentlemen

My message to the businesspeople in the audience is – more or less – that I have no message.

Running companies is something *you* know how to do – and successful companies are the dynamo of successful economies. Public officials do not make economies prosper; businesspeople do. You do not need me or any other public official – BiH or international – to try to tell you how to do your job.

This week the parliamentary assemblies of the two Entities and the state are debating the Bulldozer Reforms. As, I believe, all of you will be well aware, the 150-day period which the Bulldozer Committee set as the deadline for implementing its 50 recommended reforms ends this week. We will not beat the deadline to the day, but there is a very good chance that the reforms will all have been enacted just outside the deadline. That will represent a remarkable achievement.

The lesson of the Bulldozer process has been that politicians and public officials shouldn't preach – they should listen. Businesspeople from all over the country have said to their politicians – here is what we need you to do, and they have identified the specific clauses in laws that need to be added or deleted or amended so that businesspeople can get on with the work of running successful companies.

I hope this conference will see something similar. I hope it will provide a forum for businesspeople to say what they need from bureaucrats and politicians in order to run companies that generate wealth and create new jobs.

Repeatedly during the Bulldozer process we found that businesspeople were calling for pointless regulations to be removed. They did this at least as often as they called for new regulations to be enacted. The message in principle is that they need *less* legislation not *more*.

So what *can* public officials do – in the BiH and the regional context – in order to promote economic development, in order to help companies prosper?

Well, we can continue working to

- establish a free market in BiH and in the Balkans

This is already happening. By 2006 the Stability Pact countries will have created a free-trade zone across the Balkans. For too long, it looked as though Bosnia and Herzegovina, actively dismantling trade barriers with its immediate neighbours, would maintain an absurd system of politically-inspired obstacles to trade *inside* its own borders. However, progress in establishing the single economic space is now picking up pace. In this respect the establishment of a single and efficient customs administration and a countrywide VAT system will be hugely significant, making it easier to do business in BiH – to the benefit of workers, employers and consumers.

We must continue efforts to

- establish a legal framework that encourages legal businesses not illegal ones
- do away with bureaucratic rules and regulations that deter investors
- set up EU-standard regulators and certification

agencies, and

- reform the land ownership registry to promote confidence in ownership.

Much of this work is moving forward in the context of the Stabilisation and Association process, and this is creating a powerful regional synergy – all of the countries in the region are carrying out reforms with the common aim of moving closer to the European Union and increasing trade with one another and with the EU. That means that they can learn from one another. It also means that as they move forward individually they move forward collectively. The Balkan market as a whole is set to grow and BiH businesspeople stand to benefit from that.

No one in this room can be under any illusions that the road ahead is going to be difficult. Running a profitable company in this economy is not easy. But what we can see is a steady improvement in the commercial environment. The Bulldozer Committee's work has played a role in this. Equally important has been an attitude among businesspeople that has been highlighted by the Bulldozer process – BiH businesspeople do not need to be told what to do; they know what they need; they know how to run their companies. What they need are partners among public officials who will help remove pointless obstacles. That is now being done at the BiH and the regional level and I believe that in a relatively short period of time the benefits of this will become apparent.

Thank you