

OHR, OECD Host Conference on Regulatory Governance

The Communications Regulatory Agency, the Banking Regulatory Agency and other independent market regulators are an integral and indispensable part of the transformation of the BiH economy, Deputy High Representative and Head of the OHR Economics Department Patrice Dreiski told a conference in Sarajevo today.

Effective regulators are a prerequisite for attracting foreign investment and ensuring the success of privatisation, Mr Dreiski said. Investors will not risk money in markets where regulations are elastic, or where different rules apply to different players.

The Deputy High Representative was addressing a conference on regulatory governance, jointly organised by the OHR and the Organisation for Economic Cooperation and Development (OECD). Other speakers included Chairman of the Council of Ministers Dragan Mikerevic, and Minister for Foreign Trade and Economic Relations Azra Hadziametovic.

“Regulation helps make markets work, by ensuring that natural monopolies deliver optimum prices and services to consumers and by ensuring that in strategic sectors such as utilities, a level playing field is established so as to allow companies to operate in fair competition,” Mr Dreiski said.

On the independence and accountability of regulators, Mr Dreiski noted that “The job of policymakers is to set policy and they must do this for the market regulators. After that, they must let the regulators regulate. The regulator is accountable to consumers, to the taxpayer and to the government. With a clear mandate and clearly defined parameters of discretion, the regulator can maintain its independence and authority and at the same time respond efficiently to policy guidelines.”

Mr Dreiski added that establishing an efficient regulatory regime in BiH is a condition for closer European integration. “As with all the other EU Road Map issues, it isn’t just a question of meeting accession requirements for the sake of meeting them,” he said. “It is a question of implementing policies that bring BiH closer to Europe and at the same time deliver benefits to citizens.”