

Economic Task Force Discusses Urgent Reforms in the RS

The Economic Task Force, chaired by Principal Deputy High Representative, Donald Hays and comprising senior representatives of international financial institutions and major donors in BiH including Bruno de Schaetzen, Resident Representative International Monetary Fund, Joseph K. Ingram Country Director of World Bank and others, today met with Republika Srpska Prime Minister Mladen Ivanic and members of his cabinet.

This meeting, the second of its kind, was conducted in a spirit of partnership and addressed the present serious economic circumstances in the RS. Principal Deputy High Representative Donald Hays and the members of the Task Force urged Prime Minister Ivanic to accelerate the reform efforts and reiterated their commitment to work with him and his team of Ministers in addressing the main areas of concern. They expressed concerns regarding the unharmonized tax reform, the need for power sector restructuring and they welcomed the announcement of the privatization of three strategic companies. Members of the Task force noted the overall slow progress in enterprise privatization but welcomed improved progress and the RS's commitment to increase support to this process. They appreciate the acceleration of the banking sector reforms. The task force reiterated its needs for the RS government's support to press for passage of major laws, some of which are severely hindering progress in the process of European integration.

Moreover, the Principal Deputy High Representative and the Task Force members expressed their confidence that the Prime Minister is working towards solutions in these areas, and that the Prime Minister recognizes the importance of improving the economic prospects of all RS citizens in the process of developing a Single Economic Space in BiH. The Single Economic Space will provide the framework for BiH to develop into a functioning and competitive market economy. This is all the more urgent as international funds for BiH are decreasing and neighboring countries are making rapid progress in implementing their own economic reforms.