



PRESS RELEASE

BLUE RIBBON REPORT PROVIDES MACEDONIA WITH ROADMAP FOR REFORM

SKOPJE, 26 OCTOBER 06 - Fifteen years after independence, Macedonia has completed a tough first round of reforms to stabilize the economy, but the Government needs to push ahead with deeper measures to boost growth and prepare the country for entry into the European Union, says a Blue Ribbon Commission Report released today by the United Nations Development Programme (UNDP).

"The government must now pursue a new wave of reforms to better integrate Macedonia into the global economy, boost the dynamism of the private sector and improve the effectiveness of the state sector", said Marta Ruedas, UNDP Acting Assistant Administrator and Regional Bureau Director for Europe and the Commonwealth of Independent States.

The Report says that Macedonia has completed first-generation reforms including freeing prices and liberalizing trade, but the country still suffers from insufficient integration into the world economy, corruption and excessive influence of the business sector on politicians.

The Blue Ribbon report argues that Macedonia must balance its budget in the middle term, expand lending for exports, promote export insurance and reduce barriers to foreign trade. It also advocates for rapid liberalization of the country's capital account, reduced government regulation, reformation of the tax system, and privatization of non-core government activities.

"The experience of other countries demonstrates that fast and consistent reforms, well coordinated and properly implemented are more effective, less painful and bring their benefits quicker than do slow reforms that entail compromises on key issues", finds the report.

Formed at the behest of the Macedonian Government, the Blue Ribbon Commission follows on the heels of similar UNDP endeavors in Ukraine and Kyrgyzstan. Macedonia's Commission brought together national and foreign experts to make politically neutral recommendations intended to guide government thinking in such areas as trade policy, the private sector, agriculture, public administration, fiscal decentralization, the financial sector, education and healthcare reform.

"We have tried to present a realistic vision of what Macedonia can achieve in the next 10 years, and we have provided a road map for the way ahead", Josef Brada and Taki Fiti, team leaders of the Blue Ribbon Commission, say in the report's introduction.

Contact information:

UNDP Blue Ribbon focal point:
Ljupco Gjorgjinski
E-mail: Ljupco.Gjorgjinski@undp.org
Telephone: +389 (2) 32 44 101

Media inquiries - UN Communications Officer:
Ibrahim Mehmeti
E-mail: ibrahim.mehmeti@undp.org
Phone: +389 (2) 249 570