



IMF Macroeconomic Policy and Capacity Building Workshop
for Legislators from Central and Eastern Europe
June 11–13, 2018

Monday, June 11

- 9:15 – 9:30 AM Welcome and Opening of the Seminar
Mr. Thomas Richardson, Director, JVI
- 9:30 – 10:15 AM ***Session 1: Role and Functions of the IMF***
Ms. Camille Raymond, IMF Senior Communications Officer
Mr. Thomas Richardson, Director, JVI
This session will explain the IMF's mandate, new areas of work, and engagement with stakeholders. What are the traditional areas of the IMF's work, and how are new areas of work helping IMF member countries design policies to deal with today's challenges? Who are the Fund's main constituencies with whom the institution interacts, and how is this engagement carried out?
- 10:15 – 11:00 Registration, Lecture Room 600C, JVI.
Administrative Briefing and Financial Matters
Ms. Tatiana Bredniakova, Program Officer, JVI
- 11:00– 12:00 PM ***Session 2: Anti-Corruption and Good Governance***
M. Maksym Ivanyyna, Senior Economist, JVI
Corruption is a major challenge to achieving both development goals and a prosperous economy. It harms economic activity, investment, and government's ability to formulate and implement policies. This session explores the policy options in combating corruption in all its forms, the roles of the parliament and the International Monetary Fund. MPs should come prepared to give brief updates on the legislative efforts their respective countries are taking on anti-corruption measures.
- 12:00 – 1:45 PM Lunch Break
- 2:00 – 4:00 PM **JVI Annual Lecture “Western Balkans Strategy of the European Union”**
Mr. Johannes Hahn, EU Commissioner for European Neighborhood Policy & Enlargement Negotiations.

Tuesday, June 12

8:45 – 10:00 AM

Session 3: Public Infrastructure in the Western Balkans, Opportunities and challenges.

Mr. Bill Lindquist, Economist, Montenegro Desk, IMF

This session will assess shortfalls of public infrastructure in the Western Balkans. The presentation starts by quantifying the large infrastructure gaps in the region across various sectors and dimensions. It then evaluates countries' current infrastructure plans, assessing the extent to which they would help narrow the identified gaps, and discusses funding options available to countries in the region. Boosting the quantity and quality of infrastructure is vital for raising economic growth and accelerating income convergence with the EU. Importantly, the growth payoff is likely to be significantly higher if: (i) efficiency of public spending is enhanced by strengthening institutional frameworks; and (ii) closing infrastructure gaps is implemented with a view to enhance regional connectivity, facilitate integration in European supply chains, and maximize access to IFIs and donor financing. Mr. Maksym Ivanyna, Senior Economist, JVI

10:00 – 10:15 AM

Coffee Break

10:15 - 11:45 AM

Session 4: Reforming the judiciary: Learning from the experience of Central, Eastern, and Southeastern Europe (CESEE).

Ms. Laura Papi, Assistant Director, Emerging Economies, IMF European Department

The presentation discusses the role of various factors in supporting reforms that strengthen the effectiveness of the judiciary, an area where CESEE has made significant progress, but where more may be needed to re-accelerate productivity growth and income convergence. The main messages of the presentation are that besides initial conditions, policies and factors that: 1) improved the distribution of resources and opportunities; 2) upgraded rules to recruit and train civil servants, and 3) increased transparency and accountability helped create an enabling environment for judicial reforms. The European Union and the Council of Europe acted also as strong external anchors for reforms. However, some reversals also occurred, and the sustainability of reforms appears to depend more on domestic factors.

11:45 – 12:00

Group Photo

12:00 – 1:30 PM

Lunch Break

1:30 – 3:00 PM

Session 6: The emerging Role of Parliamentary Budget Offices in Fiscal Governance – the Austrian Example

Dr. Helmut Berger, Head, Austrian Parliamentary Budget Office

Established in 2012, the Austrian Parliamentary Budget Office provides government-independent budgetary expertise and support to Parliament in holding government to account on budget and fiscal policy issues. The PBO today is already a well-known element of Austrian fiscal governance, its work contributes to strengthening parliamentary budgetary control. The Austrian PBO is only one example of a rising number of budget offices and fiscal councils in the OECD countries, which aim at promoting greater budget transparency and accountability.

3:00 – 3:15 PM

Coffee Break

3:15 – 4:45 PM

Session 7: “Growth and Competitiveness in Albania”

Mr. Jens Reinke, IMF Resident Representative for Albania

It gives a brief overview of the role of the IMF in supporting Albania’s reforms and a regional perspective on recent growth performance and its outlook, including the catch-up with EU countries. Focusing on Albania and Western Balkan peer countries, the presentation considers the factors that constrain growth. What are the levers that governments in Albania and the region can employ to improve growth and living standards, and diminish the economic gap between “old” and “new” Europe?

4:30 – 4:45 PM

Coffee Break

4:45 PM – 6:00 PM

Session 8: “The IMF and Income Inequality”

Mr. Jens Reinke, IMF Resident Representative for Albania

Over the past decades, income inequality has declined substantially at the global level. However, within countries the picture is mixed with some experiencing a reduction in inequality while others, particularly advanced economies, have seen a significant increase. Increased inequality can lower growth—putting the reduction of inequality within the IMF’s mandate to help countries improve economic performance. While technology and trade are global trends that are difficult to resist, the design of government policies matters and can help reduce inequality. The IMF is building on years of research to offer its members policy solutions, particularly on equitable ways to tax and spend to tackle inequality and support economic growth. This session will discuss the increasing work on inequality at the IMF over the past decade, describing different ways the institution has been engaging on this area.

6:15 PM

Welcome Dinner (walking distance from the JVI)

Wednesday, June 13

8:30 – 9:30 AM

Session 9: Regional Economic Outlook and Regional Economic Issues

Mr. Jeffrey Franks, Director of the IMF Europe Office and Senior Resident Representative to the European Union

The session will look at developments in the Global economy and the European region over the past year and the most pressing policy challenges today. It will cover the global economic outlook, the outlook for Europe.

9:30 – 10:30 AM

Session 10. Regional Economic Outlook and Regional Economic Issues – Focus on Easter and Central Europe

Mr. Bas Bakker, IMF Senior Resident Representative in Central and Eastern Europe, Warsaw Office

The session will look at developments in the Eastern and Central European region over the past year and the most pressing policy challenges today. It will cover the outlook for the Eastern European region. It will discuss the main risks and challenges. It will also discuss how parliaments could play important roles in key pieces of legislation that will be needed to help countries meet longer-term challenges. MPs should come prepared to briefly discuss their country's macroeconomic and financial reforms (planned or recently undertaken), and the associated legislative challenges.

10:30 – 10:45 AM

Coffee Break

10:45 – 12:15 PM

Session 11: Banking Challenges in the Western Balkans – Prospects and Challenges

Mr. Ruud Vermeulen, IMF Resident Representative, Kosovo

In many ways, banks in this region are still reeling from the effects of a boom and bust credit cycle. Currently, credit growth is constrained at a time when it is much needed to support an acceleration in the region's stalled convergence towards EU income levels. In most countries in the region, credit-to-GDP ratios are still below their potential and show little sign of improvement. Policymakers should act on several fronts. Nonperforming loans should be reduced and profitability increased through asset quality reviews and supervisory action plans, while sources of bank funding should be diversified. Addressing weak bankruptcy and insolvency regimes, improving property registry systems, and speeding up slow court procedures

would help remove structural impediment to credit growth. MPs are encouraged to provide their own country experiences and views on the role that parliament plays in the reform process.

12:15 – 2:30 PM

Farewell Lunch (walking distance from the JVI)

2:30 – 3:30 PM

Individual country breakout sessions

Led by IMF representatives

The group will break into 6 smaller groups and country delegations will have the opportunity to meet with IMF representatives to discuss relevant economic issues in a more in-depth manner.

3:30 – 3:45 PM

Coffee break

3:45 – 5:00 PM

Session 12 Convergence following Transition: Why have some countries done better than others?

Mr. Bas Bakker, IMF Senior Resident Representative in Central and Eastern Europe, Warsaw Office

This session will examine the economic course taken by countries following transitions from centrally-planned economies to market-driven ones. It will discuss how macro-economic stability and micro-economic flexibility have affected long-term growth, and the role that economic reforms have played. Special focus will be on comparing the experiences of Belarus, Poland, and Ukraine.

5:00 – 5:30 PM

Closing of Seminar – Wrap up and Evaluation

Ms. Camille Raymond, IMF Senior Communications Officer
Ms. Tatiana Bredniakova, Program Officer, JVI