

Your Excellencies, Ladies and Gentlemen,

Thank-you for inviting me to this final conference as I've followed this project with great interest since it began a year ago. At first, we faced substantial challenges in designing a project that had to address many complex areas of economic legislative reform. Fortunately, the Ministry of Economy was determined to reform these laws in accordance with the European Union's *Acquis Communautaire* and the requirements of the Stabilisation and Association Agreement. There was also a need for this project to help establish a more systematic law-making process to ensure that these new laws are effectively implemented. I am happy to say that the project has met most of its targets. These laws will positively impact on the economic development of this country and I recommend effective follow-up.

Today, you will be briefed about some aspects of the proposed, modernised legal framework. These laws will increase the competitiveness of Macedonian firms, liberalise trade, reduce the grey economy, fight corruption, and develop the public utilities sector. Many of these objectives are interrelated. Integrating the internal market is not a simple process. It includes disparate but related aspects, including the protection of the health and safety of consumers and citizens in both the public and private spheres.

Let me mention some of the key results of this project, namely consultation, support for institution-building, and completion of a comprehensive legal analysis of applicable laws.

- First the **consultative process**. Approximation does not mean that EU texts and directives will simply be parachuted into a host country with the expectation that they will be translated and passed verbatim into legislation. From the very beginning, laws can only be made effective if stakeholders participate in their creation. The Ministry of Economy quickly took ownership of these laws. Their representatives participated in numerous debates and workshops and took the process further. With the support of the project experts, the Ministry included special mechanisms in some of the newly drafted laws to ensure the participation

of stakeholders in the implementation stage. A prime example is the consumer protection law.

- A second feature has been the attention paid to strengthening several state institutions involved in trade sector reform. For instance, EU experts provided guidance to the Monopoly Authority and the market inspectorate on everything from report writing and budget management to the development of procedures.
- Finally, the draft laws were screened from different legal perspectives. Of course, the EU Directives and principles were at the heart of our activities. But the drafting teams also considered comparable laws and different EU legal traditions. Last but not least, they made a special effort to ensure as much as possible the overall consistency of the national legislation.

Overall, an impressive amount of work was carried out by the Ministry of Economy officials and the EU experts involved. I would like to take this opportunity to thank the other donors for their cooperation in carrying out this project. These words of thanks apply not only the European bilateral donors, such as the German, British, Austrian, and French aid organizations, but also to the UNDP and USAID funded projects. These organisations acknowledged the need to integrate the European Union's legal approaches.

The agenda of EU integration strengthens this country's capacity to fulfil its commitments towards the WTO and international standards. Free movement of goods and services, protection of minority shareholders rights are conditions for a full integration of the Macedonian economy into Europe.

In the end, this project will have produced ten new laws and helped strengthen institutions and increased the participation of individual citizens in the law-making process.

While this project will soon end, several other EU-funded approximation projects in the financial sector are ongoing and new EU-funded projects will in the future take over to support the Ministry of Economy.

As a closing note, I wish to thank Minister Jakimovski, Ms. Cvetanovska and all the Ministry's officials for their excellent cooperation with the EAR and our Project Team.

Thank you.