

**Development Policy Analysis Division, DESA/Economic Cooperation and
Integration Division, UNECE
International Conference
2- 4 April 2008, Geneva**
**“Strengthening integration of the economies in transition into the world
economy through economic diversification”**

***Round table 1. Coordinating the efforts of international and domestic institutions
to diversify production in the countries with economies in transition***

Participants in the panel:

Milica Uvalic, *Professor, University of Perugia (Italy) - moderator*

Kseniia Liapina, *Member of Parliament (Ukraine)*

Oleg Solntsev, *Task Leader, Center for Macroeconomic Analysis and Short-term
Forecasting, Moscow (Russian Federation)*

Dragana Zoric, *FDI Advisor, Serbia Investment and Export Promotion Agency (Serbia)*

The *objective* of this roundtable is to discuss the role of economic and social institutions for diversification of economies in transition in order to increase the gains from further integration into the world economy, drawing evidence from countries' experience. Emphasis should be given to the current situation of institutions, including the emerging development institutions and the banking sector, and the actions which governments and international institutions need to undertake in the short-term. To this end, the role of the EU policies to those countries and their coordination with domestic policies is important as well.

The following *main questions* will be the focus of this discussion:

- What are the most important economic and social institutions needed to diversify the economy?
- What support are international institutions providing for economic diversification?
- What are the possible strategies to improve those institutions – at domestic and international levels?

The participants are expected to discuss strengths and weaknesses of existing institutions, such as protection of property rights, degree of government intervention, good governance, banking and finance as well as more specialized institutions. Given the particular situation of countries the latter may include those institutions, which will provide an efficient framework for keeping pace with technology, relocating labour force, educating new entrants into the labour market, as well as providing information services to economic agents to be able to react to the latest global economic developments.

The participants should address what actions need to be undertaken on the domestic side, for example, establishing innovation support funds, and what action they expect from the international organizations, including the contribution the UN agencies can provide in developing those institutions and coordinating domestic and international efforts.

Structure of the panel discussion:

- the moderator introduces the topic and objectives of the roundtable; the panelist and asks the main questions; In addition, she will introduce some policy challenges to the economies in transition related to the EU enlargement and the EU Neighbourhood policy (15 minutes)
- each panelist provides country experience and policy discussion on the three questions (10 minutes per participant)
- the moderator takes questions from the audience (3-5 minutes)
- the panelists answer to those questions (7 minutes)
- the moderator should ask the following wrap up question:

Given the policy and institutional reforms (agreed upon here) that are viewed as important for promoting diversification, especially those that require regional or global participation, are these initiatives already in the Monterrey Consensus Financing for Development document, or if not what you consider as necessary to be added to the Doha Review document so that the issues raised here would be properly addressed?

Expected outcome: based on the exchange of opinions by the participants, a number of recommendations for the UN agencies should be proposed.