

2013 Economic and Fiscal Programmes of Albania and Bosnia and Herzegovina: EU Commission's overview and country assessments

The document contains the Commission's assessments of the 2013 Economic and Fiscal Programme (EFP) of the potential candidate countries (Albania and Bosnia and Herzegovina). The EFPs are precursors of similar programmes which EU Member States are supposed to submit. EFPs should outline a medium-term policy framework, including public finance objectives and structural reform strategies. The Commission assesses whether the programme is plausible and in line with the country's accession perspective and whether the documents respect the required format and information needs.

In its assessment, the Commission found that both countries experienced a substantial economic slowdown in 2012, while immediate prospects remained uncertain. The two EFPs expect a marked improvement over the coming years. However, such assumptions are subject to significant downside risks, including enduring weaknesses in the main trading partner countries. Weak economic growth in 2012 led to shrinking external imbalances, but vulnerabilities still remain. Fiscal planning and predictability leave ample room for improvement. Structural reforms are indispensable to remove bottlenecks to growth. The two EFPs, while broadly succeeding in identifying the main challenges, still lack a strategic and comprehensive approach outlining specific and targeted policy measures to address these bottlenecks.