

Presentation of the Russian-European Centre for Economic
Policy (RECEP) at the Tacis Kick-Off Seminar
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For ten years, Russia has been dramatically changing and has been opening to worldwide economy on its way towards market economy. The aim of RECEP is to provide the best EU advice and the best worldwide experience to Russian policy makers in this process.

Of course, the main impulses for the change in Russia are coming from inside, from the reformers as well as from the entrepreneurs. But after 10 years, a lot remains to be done. For example, too many economic actors are still trying to avoid market competition instead of entering it, too many administrative bodies are still negotiating their privileges instead of equal treatment of everybody. However the global economy may become a resource for the economic development of Russia. A well-managed opening will provide the know-how and the financial means for fostering growth, will help changing economic structures and mentalities. The closeness of the European Union should play both as a stabiliser and a stimulator. RECEP's advice, based on sound and innovative research, is to play a key function in the EU's support to Russia's reforms.

RECEP is now oriented towards the successful implementation of the economic programme of the government. We appreciate in this programme the combination of the efforts for macroeconomic stability, social equity and structural policy. The 50 Russian and EU experts of RECEP will work jointly to assist the Russian governmental agencies in developing adequate solutions to new problems. They will concentrate research and policy advice on the key issues Russia is facing as fiscal efficiency, industry restructuring and the protection of property rights, the building-up of a banking system and of financial markets, the financing of health and pensions, or the regional aspect of economic development.

We would like also to pay a special attention to two other issues. The first one deals with the problems of a country which actually bases its development strategy on raw material exports. The worldwide experience shows that there are very few success stories in this respect. RECEP will help Russian policy makers to become acquainted with the best experiences in this way, such as those in Latin America. The recent recovery of Russia's growth is not only explained by

short term factors, but it is very fragile and a sustainable growth requires many other conditions. The second issue is the difficult task of combining short term economic policy with the medium term promotion of new economic behaviours of producers, consumers as well as public agencies. That is the combination of macroeconomic stabilisation with the building up of market institutions. The point is to promote, both from the top and the bottom, the development of clear and transparent rules of the game for a good investment climate.

The combination of short term efficiency and medium term sustainability is also a challenge for RECEP itself. RECEP belongs to the most prestigious projects of the Tacis programme of European Union in Russia. But it is only a project, which is extended on an annual basis. Our task is to leave something sustainable behind us when the project is finished. The training dimension of RECEP will be re-emphasised, including PhD programmes and study tours for Russian experts. Moreover, we have to go further and to conceive and set up a permanent structure able to capitalise the means and the skills invested. Only by this way would be optimised the EU support to Russian policy makers.