



Economic Reform Programmes in the Western Balkans and Türkiye

MAY 2023

Since 2015, all EU candidates and potential candidates prepare Economic Reform Programmes (ERPs). As this already applies to Western Balkan partners and Türkiye, it will extend to Ukraine, Moldova, and Georgia as from the 2024-2026 cycle. The ERPs are a key element of the 'fundamentals first' approach in the EU's enlargement strategy. They prepare the enlargement partners for their future participation in the EU's economic policy coordination procedures in the European Semester. The ERPs aim at improving economic policy planning and steering reforms to sustain macroeconomic stability, boost competitiveness and improve conditions for inclusive growth and job creation.

Broad areas of reforms



Macroeconomic stability



Agriculture



Research, development and innovation and the digital economy



Employment and labour market



Business environment and investment



Industry and services



Trade



Social protection and inclusion



Energy and transport market reform



Education and skills

How does the process work?

The European Commission and the European Central Bank prepare their assessments of the ERPs prepared by the EU candidates and potential candidates. This forms the basis for a multilateral economic policy dialogue involving enlargement countries, EU Member States, the Commission, and the European Central Bank. The dialogue culminates in a high-level meeting during which participants adopt joint conclusions that include country-specific policy guidance reflecting the most pressing economic reform needs. The last Economic and Financial Dialogue between the EU and the Western Balkans and Türkiye took place on 16 May adopting Joint Conclusions with the Policy Guidance for the 2023-2025 ERP cycle. The Dialogue will continue in 2024 and will be extended to Ukraine, Moldova and Georgia.

► [Read more on the assessment reports here](#)

Key challenges identified

- Strengthening **public finances** and reducing **external imbalances**
- Addressing risks to **financial stability**
- Improving the **business environments** paying particular attention to strengthening the **rule of law** and **institutions**, and **fighting corruption**
- Reducing sizeable **informal sectors** that distort competition
- Tapping renewable and energy saving potentials and fully opening the **energy markets**
- Addressing the **low quality of the education systems** at all levels
- Increasing **labour market activity rates**, especially of women and vulnerable groups
- Strengthening the **social protection** systems