

Anita Angelovska Bezhoska: Enabling environment for capacity building

Opening speech by Mrs Anita Angelovska Bezhoska, Vice-Governor of the National Bank of the Republic of Macedonia, at the Center of Excellence in Finance (CEF) coordinators meeting, Skopje, 1 December 2010.

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Dear ladies and gentlemen,

Dear CEF coordinators, distinguished representatives of central banks and ministries of finance in the region, dear representatives of the International Monetary Fund, International Labor Organization and, last but not least, dear organizers of this event, representatives of the CEF (Center of Excellence in Finance), I wish you all a warm welcome. I am delighted that this year the traditional meeting of the CEF-coordinators takes place in the Republic of Macedonia and it is focused on a very important topic: “**Enabling environment for capacity building**”.

No doubts that the knowledge does not have boundaries. All of us, during our lifetime do try to compile as much wisdom as possible, to broaden our knowledge horizon and augment what we already know. In our professional life, we face a constant intellectual and public debate, which tries to challenge the existing paradigms, to offer new insights and to establish new norms. All of this, of course, for the purpose of building stronger intellectual and analytical capacity for efficiently coping with forthcoming professional challenges.

Sometimes, unprecedented events are needed to reveal the deficiencies in the currently accepted system of knowledge. These types of events underscore the weaknesses and pinpoint the missing parts of the puzzle. At the end of the day, out of turmoil, we all come out with new ideas, new concepts and new lessons to be learned and followed. Or, to be more illuminating let me quote Christopher Adam and David Vines – Oxford University: “... The Great Depression led Keynes to write his General Theory, thereby creating macroeconomics as a basis for national macroeconomic policy-making. The Second World War led – via the Bretton Woods Conference – to the creation of international macroeconomics, and to the birth of the IMF... The present global financial crisis will, we think, most likely lead to a major shift in our understanding of the role of finance in macroeconomics, in both theory and in policy-making”. The recent global economic and financial crisis indeed created a room for upgrade of what we knew or what we thought we knew. It clearly illustrated how fragile our knowledge can be emphasizing the need for a continuous capacity building.

Bearing all these in mind, one cannot be oblivious to the role which the training centers, such as the CEF, do have in building the architecture of knowledge. In fact, the global crisis accentuated even more their importance. They embrace and combine the latest theoretical and practical views, trying to spread the new ideas and help policymakers deliver optimal policy responses.

The CEF has proved to be a leading institution in helping policy makers to improve institutional capacities. Main instruments used to achieve this objective are training, to promote awareness of international standards and best practices in public financial management and central banking, as well as provision of technical assistance. Also, it serves as a platform for exchange of information and for discussing and learning about different policy challenges. By closely monitoring the implementation of the reforms and mapping further reform needs, it designs up-to date and demand-driven capacity building programs.

The CEF serves as a regional network that focuses on the regional issues offering regional solutions, to the extent possible. At the same time, as one shock does not always symmetrically affect all of us, and not all the policy responses are alike, by gathering all of us, sharing of valuable experiences is enabled. Looking forward, the EU integration

remains a main anchor for the macroeconomic policies in the region. We are all facing similar problems and challenges in our efforts to bring our national economies up to the EU standards. The convergence process appears to be a bumpy and thorny road, but worthy as it will finally lead to better living standards of our nations, which is a final objective of each government. In this light, I strongly believe that the CEF will continue to play a crucial role on our way towards the EU integration.

This event will be focused on a topic that emphasizes the importance of human capital as one of the essential assets of each institution. For the institutions that are socially responsible and work for the benefit of all citizens, the most important indicator for measuring the success in achieving their strategic goals, is the quality of the policies. One of the biggest and toughest tasks of the HRM function, is probably managing the knowledge and building the expertise of intellectual force of the institution, through continuous training and professional development. In order to be effective, organisations must be able to understand that human capital alone will not create value. People have to be motivated and managed by the use of good human resource practices and given the opportunity to develop and use their skills to create valuable goods and services. If the knowledge cannot be embedded in goods and services that are in demand, then this human capital will have no value to the organization.

I hope that this workshop will contribute for creating better environment for capacity building in all our countries in the region. Also, it is my strong belief, that this meeting of the coordinators, apart from being useful for exchange of information in the process of prioritizing and creating the future visionary training programmes, will lead to strengthening of the regional cooperation among national authorities.

Let me finish my address by quoting Mr. Gary Matthews, Consultant with UK Government's Investors in People, which I believe reflects the actual economic rationale of training and development of human capital: "***People are the only asset that appreciates, through training and development. All other assets depreciate***".

Dear guests, I wish you a successful work and a pleasant stay!

Thank you.