



**REPUBLIC OF ALBANIA
DEPUTY PRIME MINISTER
MINISTER OF ENONOMY, TRADE AND ENERGY**



100 Vjet Pavarësi

**CEFTA Joint Committee Meeting
Tirana, 8 November 2012**

**Honourable Ministers,
Distinguished participants,
Ladies and Gentleman,**

I'm very pleased to have you here today at the sixth CEFTA Joint Committee meeting. This is a special year for us, as we celebrate the 100th anniversary of our independence, hence I would also like to welcome you all to Tirana.

The year 2012 has been very dynamic and marked by conspicuous progress and cooperation. On the course of CEFTA implementation, we have all matured and I'm convinced we face the challenges of the future with more resolution and enthusiasm.

Following our serious engagement to the liberalization of the trade of agricultural products, the implementation of the Additional Protocol by the signatory countries, starting from January this year, marks the success of the regional spirit of the CEFTA countries and shows our firm commitment to the regional integration and cooperation. While the difficult path of liberalization of trade in goods is over, we still have many challenges lying ahead.

It is with regret that we noticed over this year a tendency from some of the CEFTA members to intervene to the free market and influence the competition. This attempt, while sending distractive messages to the market, creates at the same time trade distortions. As many economists would say, this brings no benefit to any of the countries and discourages the trust and tolerance established through hard work during these years. We have invested a lot in the eradication of non-tariff barriers and market failures and I'm confident that, with good will and enhanced consultation amongst us, we can still find acceptable solutions and push the agenda forward.

As members of the CEFTA countries, we have shown maturity and courage to liberalize the trade amongst us in the midst of the most severe global crises. I would like to invite all Ministers to continue to support the path of openness and avoid any protectionist approach to the regional trade.

We are working together to incorporate the objectives of the EU Strategy 2020 into a regional strategy to enhance our competitiveness and improve the enabling environment for new investment. In this context, I believe that the role of CEFTA structures is very important, and I would like to invite us all to dedicate greater efforts in this respect. We have entered a phase where trade policy *per se* cannot achieve the objectives of sustainable growth. Therefore, the combination of strong commitment to openness and liberalization with an aggressive, integrated and consistent investment policy, particularly industrial policy, is of utmost importance.

All CEFTA countries recognized a considerable increase of trade in the initial years of CEFTA implementation. Within the first 5 years, Albanian trade exchange with CEFTA countries increased by 12%. We started with 3% share of CEFTA trade in 2006 to reach 15% in 2011. The current crisis in Albania's main trading partners has also affected our trade dynamics in general. The total import of Albania during the 9 months of 2012 decreased compared to the same period of 2011, while exports increased. We witness the same patterns in the trade with CEFTA member countries as well.

Dear Colleagues,

As the Chair in Office of 2012, Albania launched an ambitious Chairmanship program in many areas. A three year program for Agriculture and Sanitary and Phyto Sanitary (SPS) is adopted. The tariff liberalization in the trade in agricultural goods is completed, whilst the process of meeting the SPS requirements is indicating outstanding weaknesses. We are all progressing toward the European integration and are therefore harmonizing our national legislation with EU *acquis*. This may create implications in meeting the SPS requirements in the intra-trade development dynamics; hence a transparent notification and information system is required. Albania congratulates the effort of the Secretariat to establish a database on SPS regulation, and I would like to thank them for the initiative.

Liberalization of the trade in services, an initiative that started during the Serbian Chairmanship, has progressed significantly, and we will hopefully agree today on the start of negotiations by January 2013. This upcoming agenda is even more complex and demanding. It requires a consolidated pool of experts capable to negotiate and coordinate the interests of national and regional scope. This process would witness the commitment and resolution of our countries to the regional integration.

A lot has been achieved in the area of customs and rules of origin of goods as well as Non-Tariff Barriers (NTB) and Technical Barriers to Trade (TBT). I take this opportunity to thank the Chairs of both Subcommittees for their proactive role, contributing to the successful implementation of the overall 2012 objectives.

Albania is striving to transform CEFTA into a venue/instrument to boost the regional competitiveness and engage in more complex policies than merely trade. I believe that this requires more than good will and I'm here to reiterate my personal full commitment and the firm commitment of the Government of Albania to pursue

any necessary process or reform that enables more prosperity, welfare and tolerance in our region.

CEFTA structures have established by now their role to be productive, efficient and dynamic. Albania has always been very supportive to all of them and in particular to the CEFTA Secretariat. I would like to reconfirm once again the full support of the Albanian Government to the CEFTA Secretariat and its functionality to the CEFTA 2006 implementation. A small but very dynamic and efficient structure, as already in place, is a necessity to consolidate and further the progress achieved. Allow me, on your behalf, to thank the Secretariat for the firm commitment, professionalism and devotion demonstrated over all these years.

I would like to wish a successful year to Bosnia and Herzegovina as the next Chair in office of CEFTA 2006.

To conclude, I would invite you all to a constructive and proactive discussion in this meeting.