



CEFTA Joint Committee Meeting, Chisinau, 26 November 2015

Evolution of CEFTA priorities and importance of trade policy in economic growth and competitiveness of CEFTA Parties

*Honourable Deputy Prime Minister, (zavisno ko bude predsjedavao)
Your Excellencies,
Distinguished Participants,
Ladies and Gentlemen,*

First of all I would like to thank and congratulate Moldova on its previous work and efforts during its presidency of CEFTA Agreement and other CEFTA Structures in 2015. Special congratulations on the signing of the Association Agreement with the EU.

After a decade and a half of trade cooperation and eight years of implementation of the CEFTA Agreement, we have successfully completely abolished customs duties on all goods in mutual trade and met the first goal of the CEFTA Agreement. Aware that the abolition of customs duties does not mean complete liberalization of the market, identifying new challenges and processes in international trade relations, the CEFTA Parties, guided by the goals of the Agreement, already in 2009 set the elimination of barriers to trade, liberalization of trade in services and investment promotion as their priorities.

Wanting to be involved in global, European and regional trade flows, the CEFTA Parties have joined the pan-Euro-Mediterranean Convention, examined regional supply chains and accepted the SEE 2020 Strategy. These are ongoing processes for which we will need to make additional efforts and improve the cooperation in other sectors related to trade.

It goes without saying that changes in the national legislation represent necessary changes due to involvement in trade integration and that the implementation of what has been agreed in the framework of the integration may not have positive results without consistent implementation in the national legislation of the Member States. The application of these regulations requires all aspects of transparency, which has already been recognised by the CEFTA Parties and included in their priorities along with some activities related to public procurement and competition rules, as well as state aid.

In recent years, rapid progress has been achieved in the process of liberalization and free market but the volume of trade exchange between the CEFTA Parties has not significantly increased, and it represents a key shortfall of the CEFTA Zone. This issue deserves our special attention.

Although our data on foreign trade is not showing that we have achieved a significant level of growth in mutual trade, it can not be said that we have not improved our cooperation in other sectors related to trade, such as cooperation in customs matters, cooperation between the institutions in the agricultural sector, and, for example, in the transport sector.

We suggest that greater attention should be paid in the future to already initiated processes and to clearly identifying the actual shortcomings of our cooperation that slow down the growth of our integration processes and a greater volume of mutual trade in goods and services.

It is no secret that we are all facing capacity constraints in meeting the objectives. In this regard, we expect assistance, first of all from the EU, and then from other international stakeholders present in the region.

We owe Moldova our gratitude for the hospitality and good organization of events that preceded the meeting of the Joint Committee.

Finally, I want to emphasize the commitment of Bosnia and Herzegovina to the CEFTA Agreement and its principles. We wish Montenegro, as the next Chair of the CEFTA Agreement in 2016, a successfully presidency.

Thank you for your attention!

Mirko Šarović, Minister