



BOSNIA AND HERZEGOVINA
MINISTRY OF FOREIGN TRADE AND
ECONOMIC RELATIONS

FOURTH CEFTA JOINT COMMITTEE MEETING

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STATEMENT BY MR. HAMDO TINJAK
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Mr. Chairman,
Esteemed ministers and colleagues,
Ladies and gentlemen,

The central theme of today's meeting is challenging. Nevertheless, in capacity of the Joint Committee and, at the same time as mini economic forum of the region, we should use this occasion to exchange views and information as well as to recognize and highlight opportunities given in the CEFTA Agreement, which can be used to the benefit of each Party and region as a whole.

A sustainable growth and how to achieve it has been continuously on the agenda ever since a modern economy is known. The question is gaining in importance each day and in spite of occasional excess of ideas and plans in different countries or periods of time it seems that no universal or longstanding formula has been discovered. It has become a constant race against time and changes.

Irrelevant of particular differences, economists all around the world would agree over a number of issues, which seriously impede the achievement of sustainable growth. Absence of all-inclusive agreement over the key global issues, centuries' long negligence over exhaustible resources, predominant focus on particular rather than common interests and hesitation to implement structural reforms are only some of them.

Cyclical movement of a market economy implies regular shifts in economies and trends of development. What is new in comparison with previous experiences is that future crisis can

hardly be predicted with precision due to permanent changes in technologies, real and financial sectors and differences between reality and expectations.

Regional economies and region as a whole is no exception. Countries still struggle in finding effective ways and measures to cope with and overcome severe consequences of the latest economic and financial crisis. Meanwhile, sustainable growth objective seems to be on hold. Regional analysts point with arguments that the crisis proved at least three things: high interdependence of the world economy, fragility of globalisation process and inability of market itself to ensure achievement of general interest.

Small economies and regions like ours have little or no influence to the world economic trends and developments. Nevertheless, the global turbulences strongly affect our economies without exception.

In crisis, global economy as well as majority of national economies almost by default oriented their efforts towards short-term and debatable growth incentives, without proper projections of sustainability effects. The key challenge however was and still is structural change of major economic relations both globally and regionally.

If interdependence of global economy is so strong and efforts on joint actions were made world wide, what could make us think that our national economies can reach sustainable growth independently!? Can we afford to ignore the links and interdependences between our economies?

Beyond any doubt, nothing can substitute internal reforms that each of us need to implement. Governments adopted packages of ambitious measures to recover their economies. However, if these are not projected according to broader picture and in conjunction with a number of external variables, the effectiveness of the whole process remains uncertain at least in a long term.

Finally, the course of action and corresponding measures need to reflect the needs and specificities of the region. We are witnessing that differences amongst us in terms of development level and stages on our ways to EU membership did not cut economic ties nor greatly redirected flows of economic activities.

Economic integrations such as EU imply close cooperation and coordinated approach to issues of overall interest with due attention to particular needs. Being on the path towards EU, countries in the region need to show more pragmatism, liberate themselves from a self-centred approach as an exclusive one and realize their common interests to the benefit of all.

If we find the wisdom, strength and determination to seize the opportunities, it could very well be our way towards sustainable growth.

In conclusion, let me briefly touch the year behind us in the context of the CEFTA Agreement. It was a challenging one primarily due to economic crisis and high expectations of businesses to have their difficulties resolved. A lot of work has been done under the Serbian Chairmanship. Some effects are already there while others are only to come once the preparatory work is completed.

The ambitiousness of the Agreement and annual chairmanship priorities entail the complex and enlarged workload each year. The Serbian Chairmanship was up to the task and we are looking forward smooth continuation of the Agreement's implementation in 2011.

Mr. Chairman,

On behalf of the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina and my own behalf, let me thank you and your team for your warm hospitality and excellent organisation of this and all other events under the Serbian Chairmanship.

Thank you.