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CEFTA DEPUTY MINISTERS' MEETING
Sarajevo, 18 June 2013

ADDRESS OF MR HAMDO TINJAK

Secretary of the Ministry of Foreign Trade and Economic Relations
of Bosnia and Herzegovina

*“How to deepen the implementation of CEFTA in the framework of South East Europe
Strategy 2020”*

Dear Deputy Ministers,
Members of the CEFTA Parties' delegations,
Ladies and gentlemen,

It is my pleasure to greet you all here in Bosnia and Herzegovina on behalf of the Ministry of Foreign Trade and Economic Relations and my own behalf.

Diligent work of all Parties' teams has resulted with progress year by year. If we take a glance behind us, it can easily be seen how far we have reached as of 2007. Before I get to particular subject selected to be the central theme of today's meeting, let me highlight few introductory points which we find to be important and thus always kept in mind.

Almost all CEFTA Parties are signatories to both the Stabilization and Association Agreement with European Union and the CEFTA Agreement. The latter not only complements the Stabilization and Association Agreement but presents an important element of European Integrations process for each Party, the implementation of which is strongly supported by the European Union through various forms. In fact, the CEFTA Agreement constitutes our common strategic direction which has developed over years and reached new

dimensions. Based on the track record and the assessment of the European Commission keeping close attention to it, the Agreement was successfully implemented to present.

I believe we should particularly take pride of the almost completed process of liberalization of trade in goods within the Region. The process of liberalization of trade in services is ahead of us, while mechanism for elimination of trade barriers is being continuously developed and transparency mechanism complemented according to new needs in all CEFTA areas.

During the Chairmanship of Bosnia and Herzegovina in 2013 a particular challenge is drafting SEE 2020 Strategy which would have three major characteristics:

- this is going to be a regional strategy
- it shall complement and lean on the Europe 2020 Strategy, and
- it shall present a strategic framework for EU financing of the multi-beneficiary programs/projects for 2014 – 2020 period.

Out of five pillars of this Strategy, our strategic directions are covered by the *Integrated growth* pillar and fifth pillar relating to *Governance for Growth*. At the same time, we have to comply with objectives of the remaining three pillars so as to fully meet our SEE 2020 Strategy objectives.

The objective of the *Integrated Growth* pillar is to create deeper regional trade and investment linkages and policies that are non-discriminatory, transparent and predictable and enhance the flow of goods, investment, services and persons within the region.

The *Integrated Growth* envisages inter-related and mutually reinforcing key dimensions and components:

1. A free trade area comprising four core components: i) free flow of goods; ii) free flow of services; iii) free flow of investment; and iv) free flow of skilled labour.
2. Competitive economic environment comprising three components: i) competition policy; ii) intellectual property rights, and iii) public procurement. Business climate encompasses many dimensions, and reforms need to be implemented in areas which are seen as the main barriers to investment.
3. Integration into global economy comprising: Market Access, Participation in global supply networks.

Cross-cutting issues will be crucial to the success of other pillars and thus of the overall SEE 2020 Strategy, such as: capacity building for private sector and public administration, enhance transparency and improving data availability and quality.

Incorporating the required components of each dimension in one programming document shall ensure the consistency and coherence of proposed priorities as well as their implementation and proper coordination among relevant stakeholders of the SEE 2020 Strategy.

In years to come, our major objective shall be deepening of the regional common market within a good governance framework. For this we need to develop both mechanisms and processes of management. Some of them shall be transposed to our national legislation, while we also need to agree on the particular benchmarks and indicators to measure progress achieved.

How to achieve these objectives?

First of all by meeting the EU requirements related to these policies, using regional approach combined with efficient policies of the national economies, building institutional and administrative capacities. All this should, of course, be implemented by using efficiently all forms of EU and other donors' assistance. Nevertheless, one thing should continuously be observed if we wish to reach the desired destination. All our individual actions and policies have to be in harmony with common strategy and policies.

Apart from already developed processes under the CEFTA Agreement, the Republic of Macedonia as a Chair-in-Office in 2014 shall be delegated with demanding task to also manage SEE 2020 Strategy processes on our behalf. This, however, does not diminish the role or efforts required by each individual Party to this Agreement.

Wishing you all successful work today, I thank you very much for your attention.