

CEFTA Joint Committee Meeting, Tirana, Albania, November 8, 2012
General Director of the Trade Policies Department,
Ministry of Economy, Republic of Moldova,
Inga IONESII

Dear Ministers,
Deputy Ministers,
Dear colleagues,

It is my special honor and pleasure, on behalf of the Republic of Moldova Government, to express our gratitude to Albanian authorities for excellent and very active presidency during this year and our appreciation to the CEFTA Secretariat for its substantial technical and administrative support offered to CEFTA parties.

If we look back and analyze the whole period of existence of CEFTA 2006 we can be proud of what we had achieved and where we are today. We have grown up, we have developed and have proved maturity and professionalism in all our actions and decisions.

In this context, a successful example is the expected Accession of Croatia to EU in 2013. Thus, on behalf of my Government I would like to address congratulations to Croatia for its performance and to wish prosperity and goals' achievement. At the same time, we are counting on your further efficient cooperation with CEFTA as a EU member.

I would like to underline that during this year, CEFTA countries made a grate work to promote and extend European values in the region. We successfully implemented the additional Protocol concerning agricultural market liberalization and the results of our common efforts are represented by the positive evolution of trading data. Moreover, further work is directed towards elimination of non-tariff barriers that will contribute to the development of foreign trade which has direct impact on the economic development of each country.

On the way to European Union, our countries are on different positions and moving forward with dissimilar speeds. But during this year I definitely can say that Moldova moved closer to EU through the reforms and implementation of established EU criteria and conditions. According to the European Commission conclusions, Moldova has considerably progressed on its way to the EU.

Concretely, an ambitious agenda in approximation of legislation and practices with the relevant EU reforms is successfully implemented by the Government of the Republic of Moldova. The Parliament of the Republic of Moldova adopted this year new laws and regulations to comply with the European standards. Thus, have been approved new lows on Competition, on State aide and on Standardization and Metrology. At the same time was adopted the Strategy on Food Safety and created

new Agency for food safety. In the banking and financial sectors were modify 53 laws which comply EU regulations. We made big progress in creating conditions to liberalize market in all sectors and to be ready to sign a Deep and Comprehensive Free trade Agreement and Association Agreement with EU next year.

Considering the objectives of country in this regard, we count on efficient cooperation within CEFTA, which represents a solid base for continuing the economic reforms and harmonization of national legislation with the EU practices and requirements. For us is very important to use at maximum level the perspectives of regional cooperation. And of course, we hope that the process launched by Moldova will further improve the trade results with CEFTA partners.

If we are referring only to trade, the results are quite satisfactory for each CEFTA member except Moldova, but for Moldova CEFTA represents more than trade, for Moldova CEFTA represents a big chance to join the countries with a strong intention towards EU integration.

The CEFTA region is an important market, both in terms of exports and imports, for all CEFTA members. But, as I mentioned, Moldova is an exception for the moment. Intra-CEFTA trade for the seven CEFTA members except Moldova accounts for a quarter of total trade in goods. The six CEFTA members which used to be part of former Yugoslavia had been trading with each other for five decades as parts of a common market. That is why there is no surprise that their export to CEFTA accounts for one fifth to one third of total exports. More than 30 percent of exports from Montenegro, Bosnia and Herzegovina, and Macedonia are placed on the CEFTA market. Albania, whose trade relationships with countries of former Yugoslavia were practically non-existent in the 1990s, has benefited from the regional trade integration. Its share of exports to CEFTA has grown up from 6 percent of total exports in 2009 to 12 percent in 2011. For Moldova, on the other hand, both exports and imports with CEFTA Parties are marginal, below 1 percent of total trade.

Moldova's trade in goods with the other CEFTA countries has been low but stable since the creation of CEFTA. Exports have averaged about USD 8 million per year since 2007: they peaked at USD 14 million in 2008, fell to USD 5 million in 2011 and in 8 month 2012 accounted 2 million USD which is by 54 percents lower than in the same period of the previous year. Imports, on the other hand have grown up from USD 7 million in 2007 to USD 19 million in 2011, and in 8 month of 2012 accounted 11, 7 million USD representing an increase of 15 percent compared with the previous year.

Agriculture products are dominating the export basket to CEFTA countries: 90 percent of exports in 2010 and 2011, and 80 percent of exports in 2012.

In this context I would like to underline that for Moldova, its membership to CEFTA has more a political touch than economical one, but we will attempt to develop, as well, our mutual trade and economic relations.

Thus, we reconfirm our participation in additional liberalization, the removal of NTBs, cooperation in various fields of activities and will do our best to maintain these.

We welcome the initiative to start negotiations on the liberalization of trade in services in early 2013. At the same time, we would like to underline that considering the aim of all CEFTA countries towards European integration, the Agreement on liberalization of services have to be guided by the principles and rules of the WTO GATS especially, taking into account that some countries are WTO members.

We believe that the initiative on liberalization of trade in services launched within CEFTA will contribute to a significant increase of the trade flow in the region. The liberalization of trade in services is a very actual not only for the importance of services in our economic development but for the new opportunities to proof maturity, political commitments and professionalism.

Having this opportunity, I would like to reconfirm the will of the Republic of Moldova to move forward in the creation of favorable conditions for the development and diversification of trade and to promote the commercial and economic cooperation in areas of common interest on the basis of equality, mutual benefit, non-discrimination and international legislation.

The main tasks which we distinguish in the forthcoming period is to conclude the Agreement on liberalization of trade in services, to continue working on elimination of non-tariff barriers to trade, to simplify and facilitate procedures on the borders and thus improving trade logistics; to increase the level of transparency in SPS measures and to create an SPS database; to ensure a good functionality of the CEFTA Trade Portal and to move up the public awareness on the CEFTA Agreement benefits and importance. New challenges are ahead of us and I am sure that with a constructive spirit for pragmatic solutions, we are ready to adopt commitments needed to move forward in deepening economic cooperation in the region.

In conclusion, I would like to thank the Republic of Albania for the hospitality, dedication and professionalism shown during its Chairmanship and special thank to our Secretariat team for their devotion in all our activities.

And at last but not at least, I wish good luck to Bosnia and Herzegovina in their Chairmanship for the next year.

Thank you for attention.