

**CEFTA 2006 Joint Committee Meeting
Chisinau, October 2006**

Speech of Mr. Zoran Tomic, Secretary of Ministry for Economic Development in the Government of Montenegro

Distinguished members of the CEFTA 2006 Joint Committee,
Ladies and Gentlemen,

Allow me to greet you on behalf of the Government of the Republic of Montenegro and to thank the Minister, Mr. Igor Dodon, and the Government of the Republic of Moldova for their hospitality and excellent organisation of the meeting. I would also like to extend my congratulations for having chaired the CEFTA 2006.

Positive effects are evident a year after entering of the CEFTA 2006 into force.

Montenegro was one of the first signatories to ratify the CEFTA 2006 which confirmed its commitments to improve its foreign trade through regional integration. After entering into force of the CEFTA 2006 and Stabilization and Association Agreement signed with the EU, Montenegro has become more attractive for foreign investors. Intention to further liberalize and facilitate the trade in the region, increase the degree of harmonisation and transparency will contribute to the unhindered trade and faster prosperity of CEFTA signatories.

The degree of liberalization enjoyed by Montenegro is quite high, so today the trade is completely liberalized with Bosnia and Herzegovina, Macedonia, Serbia and UNMIK/Kosovo. Quotas have been kept and the level of customs tariffs defined for certain agricultural products in trade with Albania, Croatia and Moldova. Further liberalization of trade will exert positive influence on the supply of Montenegrin products into the regional market.

The share of CEFTA 2006 signatories in total trade in goods of Montenegro with foreign countries has over recent years reached the figure of around 45%, which is on the same level as the trade with EU and with slight growth in the first six months of this year.

The success of this Agreement will largely depend upon commitment of CEFTA signatories. The future is in the environment where internationally accepted rules in trade apply and where foreign investors may have safe and predictable space for making business decisions. Even though the trade environment has been improved, there is still a number of technical and administrative barriers. By reducing their number, the region of the South-Eastern Europe will demonstrate its true commitment to further implementation of the free trade idea and will also prove that CEFTA 2006 is not only a good agreement in theory, but it also works very well in practice.

At the same time I would like to welcome the beginning of the work of the Secretariat which will, in my opinion, contribute to further implementation of the idea of this Agreement by the provision of technical assistance.

This year Montenegro has chaired the Sub-Committee on Customs and Rules of Origin. Constitutive session of the Sub-Committee was held in Podgorica on May 16th 2008 and was organised by the Customs Administration. The session was the opportunity for the representatives of customs authorities from the region to meet and share opinions about the problems they face in mutual trade and beyond. Continuance of this practice will ensure that representatives of customs authorities largely contribute to the common idea, that is further liberalization of trade.

Wishing you a huge success, I thank you for your attention.