

Meeting of the Joint Committee CEFTA 2006
Ohrid, 28. September 2007.

Speech of Branimir Gvozdenović, Minister for Economic Development in the Government of the Republic
Montenegro

Respected Ms Rafajlovska,
Respected members of the Joint Committee CEFTA 2006
Ladies and gentlemen,

Allow me to greet you on behalf of the Government of Montenegro, and at the beginning to thank the Minister, Ms Vera Rafajlovska and the Government of Macedonia on hospitality, exceptional organization of the meeting, and successful chairing of the first CEFTA Joint Committee meeting. Also, I want to express gratitude to the Stability Pact for South Eastern Europe, European Union, donors and experts without whose valuable assistance our regional trade would not be established on such a high level as it is today.

Montenegro ratified CEFTA 2006 Agreement in March this year, confirming its resolution that through regional integration promotes foreign trade, becomes more attractive for foreign investors and through implementation of provisions of the Agreement accepts international rules of business operations. Republic of Montenegro understands implementation of the Agreement as a path to further trade liberalization and facilitation within the region, upgrading harmonization and transparency level. When accompanied by social and economic reforms, it will lead to complete adjustment of regulations, and eventually to membership into the World Trade Organization (WTO) and the European Union.

Upon initialled the Stabilization and Association Agreement, Montenegro is expected to sign on 15 October this year, implementation of the Interim¹ i.e. trade part of the Agreement will already start after the New year. Further on, Montenegro is highly dedicated to the activities of the accession to the World Trade Organization, on whose agreements CEFTA 2006 refers to in few particular areas.

Value of goods trade exchange of Montenegro with CEFTA parties is increasing from year to year. In the first half of this year, 21% growth was recorded compared to the same period last year. Participation of CEFTA 2006 parties in the total foreign trade exchange amounts to 40% in the last years. Three quarter of the Montenegrin trade flow in goods was realized with Serbia and UNMIK/Kosovo, then follows Bosnia and Herzegovina, Croatia, Albania, Macedonia and Moldova.

CEFTA represents challenge for producers. With successful penetration on the neighbouring countries, opportunities for further integration are opening. Further challenge is adoption of new standards and upgrading quality of the products. Montenegrin producer cannot be serious participant on the global market, if it`s not in its own country and the region.

The first meeting of the Joint Committee, as the supervising and administrating body of the Agreement, has on the Agenda adoption of the foundation documents for further activities that are aimed at more successful implementation of the Agreement. Upon Adoption of the Rules of Procedure for the Joint Committee, we have on the agenda documents defining establishment of the organs in charge of agriculture, customs co-operation and non-tariff barriers. It is of particular importance defining and adoption of the documents related to establishment of CEFTA Secretariat. Accepting regional integrations on the foundations of the CEFTA Agreement, as its own path towards successful mutual cooperation and global integration, we fully support commitment for location of the CEFTA Secretariat in the region. Considerable assistance of the

¹ Temporary agreement

donors is envisaged in the first years upon establishment of the joint body, whereas we, CEFTA signatories, I believe, will successfully reach agreement on the its shares in the Secretariat funding, on the basis of the real economic power.

This meeting today is confirmation that the CEFTA Parties are ready to build and ground their relations on higher principles of confidence and various mutual cooperation.

Thank you for your attention.