

TRADE POLICY OF MONTENEGRO

- Overview and challenges-

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Structure of the Presentation

- ✓ Basic informations
- ✓ Coordination mechanism
- ✓ Legal Acts
- ✓ Multilateral dimensions
- ✓ Bilateral dimensions
- ✓ Unilateral dimensions
- ✓ Montenegro and EU
- ✓ Trade statistics and trading partners within CEFTA 2006
- ✓ Main challenges within CEFTA 2006



Basic informations

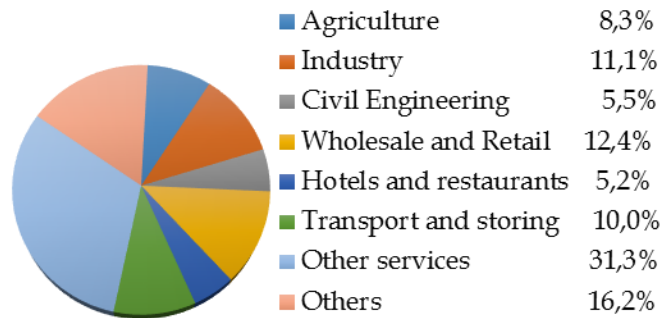
Montenegro

- Area: 13,812 square kilometers
- Population: 625 266 citizens
- Official currency: Euro
- Agricultural land: 5.165 km²
- Open liberalized economy
- GDP per capita

2006	2007	2008	2009	2010	2011
3.443	4.282	4.908	4.720	5.006	5.279



Structure of GDP for 2011



Basic informations

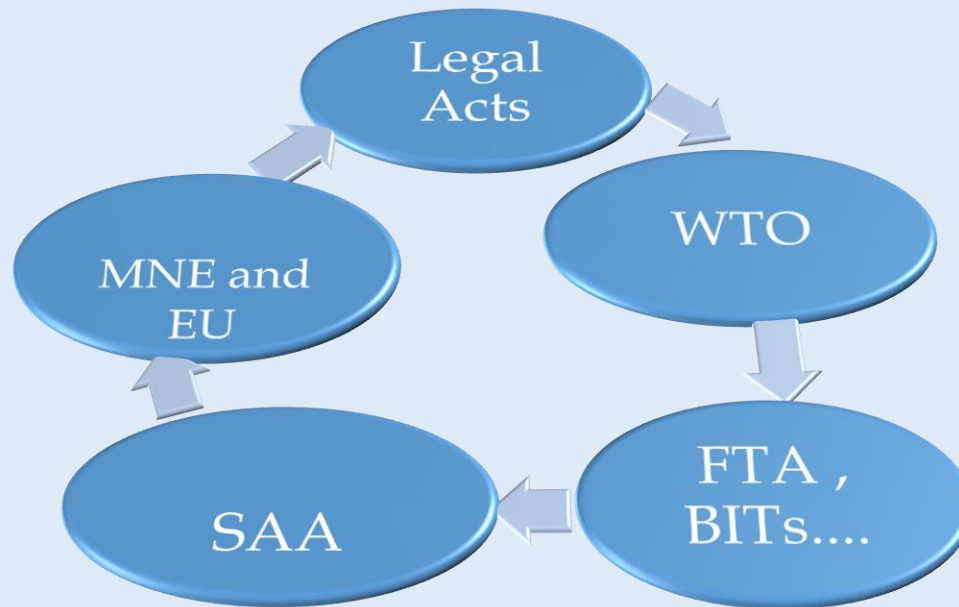
EU Integration

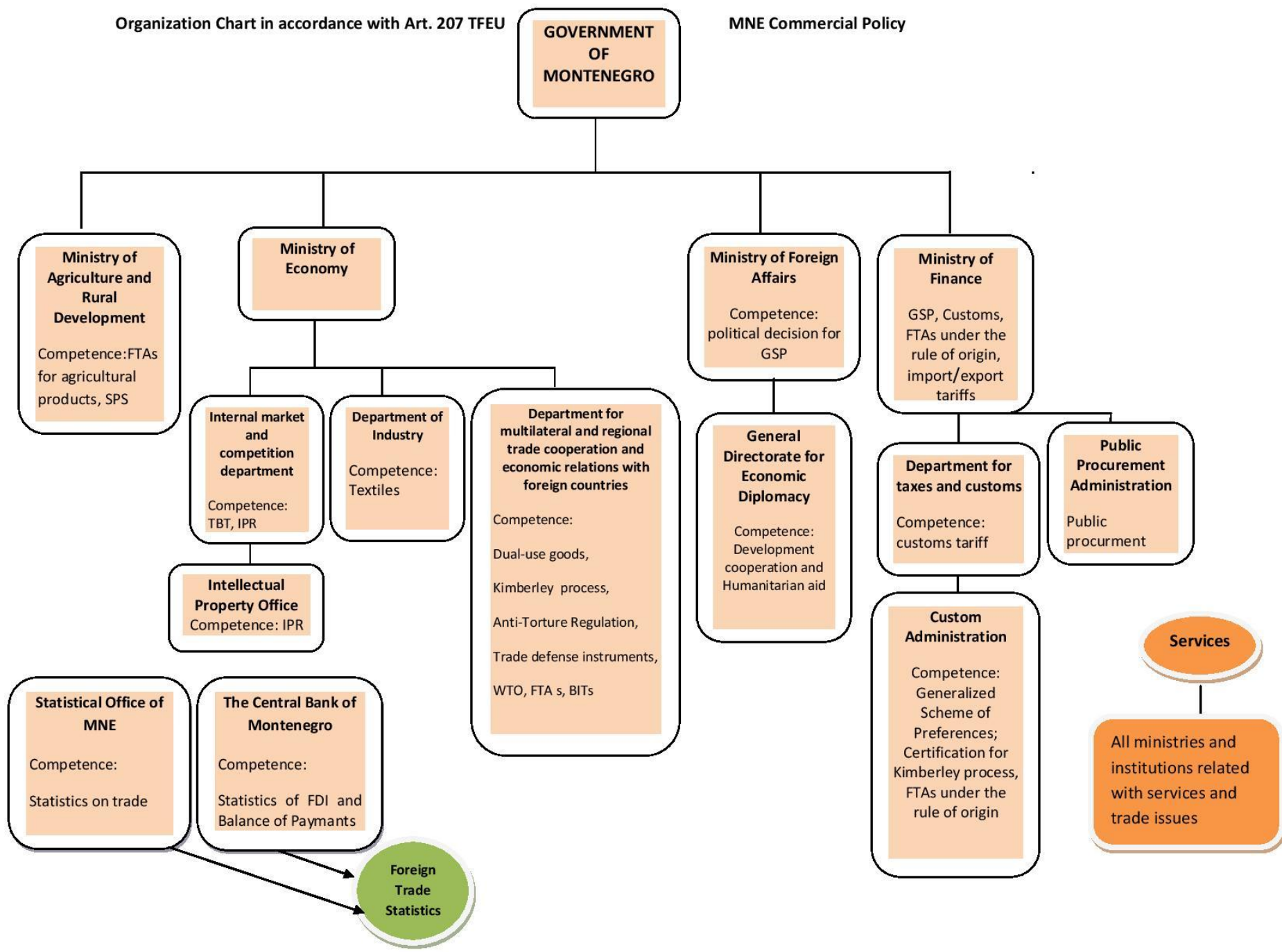
- EU integration set as priority – on 17 December 2010 Montenegro became EU candidate
- On the 2nd February 2012 the Government decided on the establishment of structures for negotiations between Montenegro and the EU
- The first Intergovernmental Conference between Montenegro and the EU was also held on 29 June 2012, thus officially opening the negotiation process
- The WG for Chapter 30 - External relations is formed by the Government's decision adopted on 18th April 2013
- Chapter 30 is opened on 30 March 2015



Trade policy

Close integration with the EU through the SAA establishes the framework within which Montenegro conducts trade policy





Trade Policy – Legal Acts

Basic Legal Acts

- Foreign Trade Law
- The Decree on Implementation of Foreign Trade Law
- The Customs Law
- Decree on Implementation of the Customs Law
- Customs Tariff Law
- Decree on Harmonization of Customs Tariff

Legislation in the area of dual-use goods

- The Law on Foreign Trade in Arms, Military Equipment and Dual Use Goods
- The Law on Export Control of Dual Use Goods
- The Decision on Establishment of National Control List of Arms and Military Equipment
- The Decision on Establishment of National Control List of Dual Use Goods
- The Decision on Establishing List of Non-Military Ordnance
- The Decree on Foreign Trade with Special Purpose

Multilateral dimension

World Trade Organization (WTO)

- Montenegro has been a 158th member of WTO since 29 of April 2012
- Law on Ratification of the Protocol on the Accession of Montenegro to the Marrakesh Agreement Establishing the World Trade Organization
- Efforts have been made to achieve balance between requirements of WTO member states on the one hand, and Montenegrin law and practice of the EU on the other



Bilateral / regional dimension (1)

Free trade agreements with third countries

- Free Trade Agreement between the Federal Government of FYR and the Government of **Russian Federation** (*Entered into force: 19 May 2001*)
- Agreement on amendment of and accession to the central European Free Trade Agreement -**CEFTA 2006** (*Entered into force: 22 November 2007*)
- Free Trade Agreement between Montenegro and the Republic of **Turkey** (*Entered into force: 1 March 2010*)
- Free Trade Agreement between Montenegro and the EFTA states (*Entered into force with: **Swiss and Lichtenstein** - 1 September 2012, **Iceland** - 1 October 2012, **Norway** - 1 November 2012*)
- Free Trade Agreement between the Government of Montenegro and the Government of **Ukraine** (*Entered into force: 1 January 2013*)



Bilateral / regional dimension (2)

Bilateral Investment Treaties

- Montenegro has 25 BIT's
- 15 with the EU countries
- 10 with non EU countries

Economic Cooperation Agreements

- Montenegro has 20 Economic Cooperation Agreements
- 12 with the EU countries
- 8 with the non EU countries



Unilateral dimension

Generalised System of Preferences (GSP)

- Montenegro does not apply a GSP
- Montenegro is a beneficiary of the GSP benefits in the following countries: Japan, USA, Norway, Russian Federation, Ukraine, Belarus and Kazakhstan

EU - Trade Preferences for Countries of the Western Balkans
(Regulation (EU) No 1336/2011 of the European Parliament and of the Council)





Montenegro and EU

Stabilisation and Association Agreement between the European Communities and their Member States and the Republic of Montenegro (SAA)

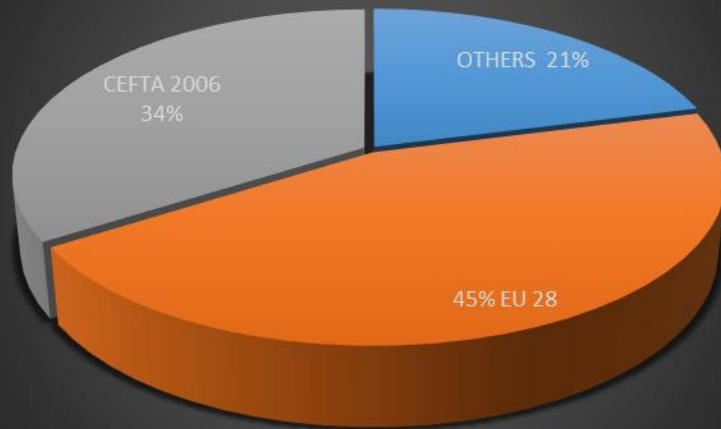
- The SAA was signed on 15 October 2007
- Interim Agreement entered into force on 1 January 2008
- The SAA entered into force on 1 May 2010, after being ratified by all member states

Accession of the Republic of Croatia to the European Union - Protocol to the SAA

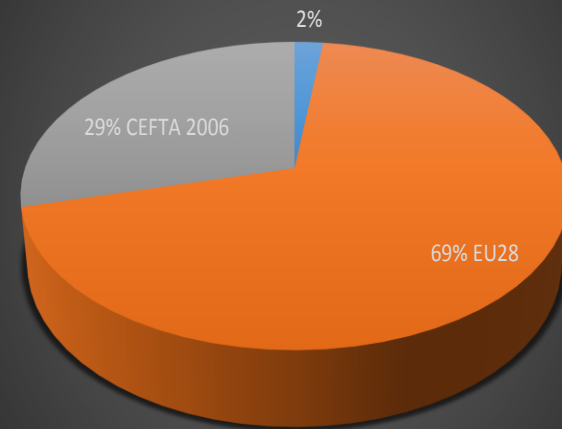


TRADE STATISTICS 2007

2007 Import

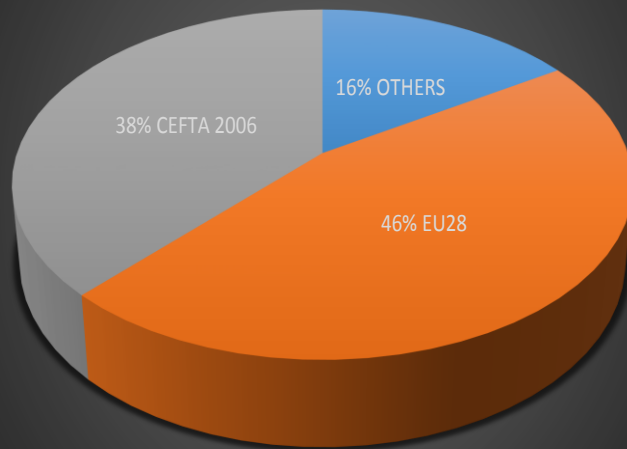


2007 Export

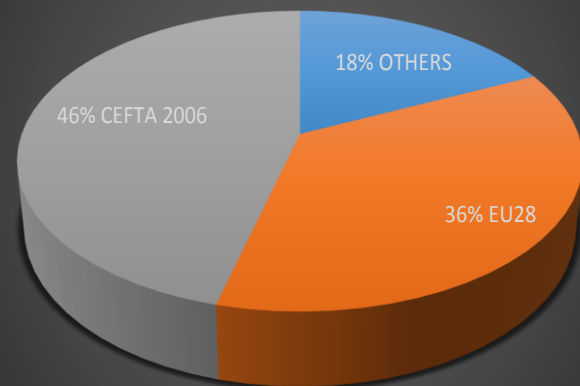


TRADE STATISTICS 2014

2014 Import



2014 Export



Trade partners within CEFTA 2006

The **export** to the CEFTA 2006 Parties in 2014 amounted to EUR 151.8 million, whereas the **import** amounted to EUR 669.6 million.

The most important export partners are **Serbia (24%)**, **Bosnia and Herzegovina (10%)** and **Kosovo* (6%)**

The most important import partners are **Serbia (27%)**, and **Bosnia and Herzegovina (7%)**



Main challenges within CEFTA 2006

1. Liberalisation of intraregional trade in services

2. Trade Facilitation including elimination of barriers to trade

- To conclude the negotiations of framework agreement on simplification of border procedures, electronic exchange of data, and mutual recognition of AEOs
- To ensure Committee of Trade Facilitation coordinating the involvement of relevant CEFTA Structures in the implementation of regional technical assistance projects on trade facilitation

3. Trade Promotion - CEFTA Parties to start the application of full cumulation and drawback in CEFTA provided by amending Annex 4

4. Enhancing Transparency - Sharing the responsibilities with private sector to increase visibility of CEFTA 2006 in context of the organisation of CEFTA Week in 2016

Thank you for your attention!

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