

Mr. Chairman,
Ladies and Gentleman,

Let me greet you all on behalf of the Government of the Republic of Serbia and my minister.

“First, I would like to apologise and express regret for not being able to attend this important meeting due to my engagements that had been confirmed earlier.

In the past period, from the first Joint Committee meeting, it has been proved that CEFTA, as a modern, ambitious and inclusive agreement, is one of the biggest achievements of the regional cooperation in SEE.

CEFTA is a hugely important building block for development in the region. It is also an excellent tool in our preparation for EU membership and participation of its members in the multilateral trading system.

What were the results of our trade in recent period?

It seems we all experienced substantial increases in trade with each other.

For Serbia, after the EU, CEFTA Parties are the second most important foreign trade partners.

The share of Serbian trade with CEFTA Parties in 2007 and in the first 6 months of 2008 is about 16% of total trade with the world, with the share of exports of about 32% and imports of about 8%.

In 2007 compared to 2006 Serbian total trade with CEFTA Parties increased for 52%, from 3 billion USD in 2006 to 4.4 billion USD in 2007.

The most significant Parties for Serbia exports are Montenegro, B&H and Macedonia. Regarding the imports the first ranking is B&H, followed by Croatia and Macedonia.

In 2007 and 2008/6m Serbia recorded an overall trade surplus in trade with CEFTA parties, but in trade with Croatia and Moldova a permanent deficit is recorded.

Serbia is open to further liberalization of trade in agriculture with Croatia, Albania and Moldova as with these Parties TRQs and customs duties on certain products are still applied. Serbia uses the „first come first served“ mechanism for the allocation of quotas.

I can just repeat what has been already noticed by all delegations that the allocated quotas had been only partially utilized. Having this in mind we could explore the ways of increasing our trade in agriculture, by granting further concessions.

We should also create favorable conditions for increasing investments both from inside and outside of the region and thereby promoting economic growth, job creation and reducing unemployment.

It is extremely useful that CEFTA Secretariat has started to work. This small office I am sure will make a substantial contribution to ensuring the smooth implementation of CEFTA and also being in Brussels could help maintain closer contacts with the EU institutions.

But I have to say that even in the absence of the Secretariat in the first part of this year we managed to implement the Agreement and organize Sub Committee meetings on issues related to the customs management and origin cummulation rules, technical regulations and standards, agriculture and sanitary and phytosanitary measures. It is important signal that Parties are committed to making it work, to implement the Agreement efficiently and effectively. It is clear that the Region has reached significant level of maturity, rationality and solidarity.

Ladies and Gentleman,

CEFTA has been put in place and it is now to business to forge ahead and create networks of cross border trade and at the same time to inform us on the problems they have. And the real life shows that we do have some remaining problems, especially various forms of NTBs. To overcome some of these we should consider the possibility of conclusion of plurilateral or bilateral

agreements on harmonization of technical regulations and standards as well as on sanitary and phytosanitary measures and mutual recognition of conformity assessment procedures in these fields.

We are aware that there is still plenty of work to be done if we want to realize what we have signed and turn the region into a real zone of free trade.

According to the Agreement we have past the first stage of trade liberalization of goods, but the Agreement opened the door to deeper forms of integration that involves liberalization of trade in services, the removal of non-tariff barriers, harmonization of competition rules, public procurement and protection of intellectual rights etc. Let us jointly use this opportunity.

Ladies and Gentleman,

Moldova as Current Chair in Office has been pursuing this first year of CEFTA chairmanship extremely well. I would like to use this opportunity to congratulate Mr. Dodon and his team for organization and hospitality.”

At the end Serbian delegation would like to join the previous speakers in thanking Moldova Government for the excellent organization of this meeting and for their extremely warm hospitality.

Thank you very much for you attention.