

Speech

CEFTA Deputy Ministers Meeting

Tirana, June 20-21, 2012

Dear Chair in Office, Deputy Ministers, Colleagues,

Ladies and gentlemen,

It is a great pleasure to be in Tirana and have this meeting organized after many achievements since the last meeting held in Prishtina.

The initial CEFTA Objective – to establish a customs duty free trade area in trade in goods –has been nearly reached, both in industrial and agricultural trade. From now on we have to direct our attention also to so-called new trade topics, such as: public procurement, services, investment, protection of intellectual property and others. Only by securing appropriate conditions and rules for a fair competition we will become more attractive to Foreign Direct Investments (FDIs) which are so needed in all CEFTA countries.

Since we all believe in a free trade I am sure that we can agree that the reduction and elimination of NTBs should remain a common priority goal for the next year activities, as well as for the coming years. This absolutely complies with the 3 year Work Programme prepared by Albania in 2010.

CEFTA countries are the second important foreign trade partners after the EU. Trade exchanges of Kosovo during 2011 reached the amount of about 2.8 billion Euros and this indicate that this figure is higher than in 2010 for 14.7 %. Regarding imports, they reached an amount of about 2.5 billion Euros and comparing to 2010 the value is higher for 15.9%. Exported goods have recorded a value of 313 million Euros with growth of 6.5%. In 2011 the coverage of import by export was 12.6%.

Trade with EU and CEFTA countries constitute the majority of Kosovo's foreign trade covering 72.7% of total trade. Macedonia is still the biggest trading partner for Kosovo both in import and export. Albania as important trading partner is the first destination for Kosovo's exports at the level of CEFTA countries. Outside EU and CEFTA, China, Switzerland, Turkey and India remain the most important trading partners for Kosovo.

Exports are dominated by base metals and mineral products which in 2011 had covered 73% of total exports. The most important products in Kosovo's export to the CEFTA in 2011 were: Waste and scrap of iron or steel; Wheat or meslin flour; Waste and scrap of aluminium; waters, incl. mineral and aerated; electrical energy, etc.

Dear Colleagues,

From Kosovo perspective, there are a number of specific challenges we should pay attention in the coming years. Some of them are:

- further elimination of non-tariff barriers to trade
- gradual liberalization of trade in services within the CEFTA Region
- Increasing the public awareness of the CEFTA Agreement benefits and importance in the business community

I remain confident that we have a good and strong will to comply with all commitments taken. We believe in the benefits of open markets at home and abroad. A fair global trading system is needed. Challenges do not primarily lie in cutting tariffs for goods, but in overcoming regulatory barriers, getting better market access for services and investment, opening public procurement markets and enforcing Intellectual Property Rights. We believe that we all should do more in CEFTA to address these challenges.

Technical regulations and standards related barriers, on the other hand, are top of the list of market access concerns of our exporters. Trade barriers in the form of goods safety, animal and plant health rules and protection of the environment may also be obstacles to trade. Customs related barriers should also be tackled. Also, we have to create a favorable investment climate by signing investment agreements and should work together to promote the benefits of CEFTA to the business community both in the region and internationally.

Let me now underline that Kosovo remains committed to implementing all CEFTA obligations and believes this is also the intention of all CEFTA countries. By following this principle all CEFTA countries could enjoy positive effects of the implementation of the Agreement.

We believe that CEFTA Agreement provides a forum which helps us all overcome the trade challenges we face. Therefore, we are committed to make CEFTA work better and to build a strong market economy. After all, we all share the same goal: membership to European Union which we believe should be our guiding objective which helps overcome our trade policy differences and challenges.

Finally, let me thank the Republic of Albania for their excellent organization of this meeting and their exceptional commitments during this year Presidency, all CEFTA countries for their continuous efforts, CEFTA Secretariat for their support and contribution and donors who support our activities.

Thank you for your attention.