CEFTA Joint Committee Meeting

Ohrid, 27-28 September 2007

Honourable Minister,

Honourable representatives of International Institutions and Donors

Ladies and Gentleman,

I am honoured to be here with all of you in the first Joint Committee Meeting which signals the continuous commitment of our countries in this process.

On behalf of Albanian Government I would like to express the full and strong commitment of the Republic of Albania to successfully implement CEFTA 2006. Allow me to express my highest consideration to European Union, Stability Pact and all other international community and donors for the substantial support given during this difficult and challenging effort and their commitment to continue supporting us.

Albania has shown responsibility and accountability during all this process showing the willingness and commitment to be part of a more open and socialised region. I would like to express once again the belief that CEFTA is best example of the will, devotion and desire of all our countries to develop together, with the same speed and pass.

The trade exchange for the 8 months of 2007 exceeded the trade of volume of 2006. The imports are increasing more rapidly compared to exports, thus having a high trade deficit. The use of quotas is almost inconsiderable and therefore Albania highlights the need of either increasing them or eliminating them completely. We would favour the latter however we are open to other countries consent in this regard.

I would like to thank the experts for their work and dedication without repeating what they have agreed during the expert meeting I would like to address in my speech two main issues:

1. **Cost sharing formula.** I’m confident that fairness and the good balance among CEFTA parties are not in question. Therefore we have proposed the cost sharing formula, the variable part of it to be share on the trade volume basis. This is the same criteria used by WTO with regard to fees for its membership. The basic principle of it is fair and simple: pays more who is going to benefit more from the trade exchange; and CEFTA is a trade agreement and the most benefit of it is the increase of trade exchange among parties. So that criteria would allow any CEFTA parties to equally contribute. The Secretariat has proposed yesterday an option which reflects its willingness to reach an agreement, and I would like very much to thank it for the efforts and the support given to us. However, yet we feel that the “trade Volume” formula is best representing the reality. In the same time,
we are very much open to discuss on the fixed costs part of the above mentioned formula. This is the position of Albania on this regard.

2. **Location of the CEFTA Secretariat.** Brussels used to be the best option commonly agreed by parties and we fully support that. To our opinion, yet Brussels is the best option. However, if Parties would consider this option quite expensive and definitely there is some truth on it, the best solution would be to find out the less expensive option.

So, **first let’s agree that** the cost for the Secretariat would be the main criteria for a final decision. If this is the case, Tirana seems to meet these criteria and therefore we have proposed to host the Secretariat in our capital.

By supporting any other issues agreed by the experts I thank you for your attention.