



REPUBLIC OF ALBANIA
MINISTRY OF ECONOMIC DEVELOPMENT, TRADE AND
ENTERPRENEURSHIP

CEFTA Joint Committee Meeting
20 November 2013

“Challenges of the CEFTA Structures in the implementation of the SEE 2020 Strategy”

Distinguished Ministers,

State Secretaries,

Ladies and Gentlemen,

It's a great pleasure to meet you all in Sarajevo in the annual CEFTA Joint Committee meeting. I would like to congratulate Bosnia and Herzegovina for its excellent Chairmanship and the synergies created with other regional initiatives which allow us all to grow and prosper together toward the European integration process.

The Minister of Economic Development, Trade and Entrepreneurship of Albania regrets for not being here today and expresses his full support to all decisions to be taken in this meeting. As you may know, we had the general elections in June this year and since September we have a new Government and I would like to express on behalf of the Albanian Government the full commitment of Albanian ministries and structures to the CEFTA agenda. The Government of Albania is

of the opinion that CEFTA should reflect the principle of all-inclusiveness and must remain committed to the goal of creating a unified market for new investments.

CEFTA has shown to be very important politically and economically for all our countries. We acknowledge though that some countries walk faster than others in the regional integration but we still believe that our potentials to prosper together are unexploited and we can do better.

The crisis seems to be still a concern for our region, for some countries more than the others. Albania is among the very small group of countries that could avoid irreversible impact on its economy during the most severe period for most of European countries and CEFTA countries nevertheless the full recovery of the Albanian economy is not achieved yet.

The goal of the new Government is to reach the level of pre-crisis economic growth through a new economic model and further consolidate the economic development of the country by exploiting new ways and priorities of our economy. While working to vitalize new areas of strength and competitiveness we do stay committed to deepen the reforms already started.

Albania is steadily increasing its trade volume with CEFTA countries, with higher growth rate in exports than imports. Although we are

aware that our bilateral trade with any CEFTA country is below the potentials, we are optimist that we are in the right path.

Albania's trade volume in 2012 with CEFTA countries reached 534 million Euros with an overall increase of 4.6% compared with 2011. This trend is preserved for both import and export with an increase 4.2% and 5% respectively. The main exporting partners for Albania in 2012 are Kosovo, Macedonia and Montenegro. In import Serbia is the leading importing party followed by Macedonia, Croatia and Kosovo. The accession of Croatia to EU will decrease the figures of the trade volume within CEFTA members although trade, no matter where the borders stand, will continue.

We have exhausted almost all possibilities within CEFTA and have liberalized trade in goods. Still this is not bringing the trade exchanges to their potentials. Trade in services liberalization is another window to boost trade and establish the required system for the professionals and services to flow freely. The region has to prove yet that its potentials can be fostered through this endeavour.

This environment, combined with the transparency and predictability in policy making, and equality among CEFTA members has created an attractive regional market for foreign investments. Still, there is so much ahead of us. We compete and cooperate at the same time but

it's worth remembering that working together and complementing each other strengths takes are farther and stronger.

We all witness that challenges are higher the closer we go to the European dream. Therefore, I believe that we have to find inner energy and hidden potentials to reach the desired goals.

The strategy SEE 2020 is an opportunity for our countries to orient the regional efforts toward the increase of competitiveness. The approach to have a regional investment policy may seem a challenge (be too ambitious) at this stage but it puts focus on the need to work toward a uniform regulatory framework for investment. Though we committed to non-discrimination for investors in general we still have to ensure a uniform playing field for foreign investors.

The adoption of the SEE 2020 by Ministers on 21 November is the demonstration of the will, inspiration and dedication of all our countries to the regional cooperation, eagerness to grow fast and belief to succeed no matter how difficult it may seem.

In this respect, I see the CEFTA structure as key in the implementation of pillar I, Integrated growth. I am confident that this pillar provides a systematic agenda in trade and investment, aiming to attract new investments and transform the region in a hub for products

or sectors, part of current supply chains and new potential regional or international supply chains.

Dear Ministers,

CEFTA structures have shown to date the capacity to successfully cope with very technical issues. However, we will shortly be challenged by the complexity of subjects to handle, need to extensive knowledge and necessity to proactivity of public administrations all over the region. Trade and investment agenda of SEE 2020, besides being very ambitious in the programing of 2014-2020 activities, shows the need to combine the expertise with problem solving attitude, necessity to combine national with the regional interest, going beyond the national expectations and transforming the regional objectives to the core of any future venture.

We have many challenges ahead and I'm convinced that we have learnt during these years of CEFTA implementation how to succeed. The successful implementation of SEE 2020, in particular pillar I, is the next goal to reach and I'm trustful we can make it a reality.

By concluding, I would like to thank the Republic of Bosnia and Herzegovina for the hospitality and the great organization of the CEFTA Week and also greet once more the Joint Committee meeting. Let me congratulate also the Republic of Macedonia for the chairmanship of CEFTA next year.

Thank you for your attention.