

## **CEFTA Deputy Ministers Meeting**

**Sarajevo, June 17, 2013**

Dear Chair in Office, Deputy Ministers, Colleagues,  
Ladies and gentlemen,

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

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.

In order to raise regional competitiveness and future growth prospects, particularly in the face of the global economic crisis, we have to meet the headline targets by 2020 as it is stated in the Integrated Growth pillar which objective is to create deeper regional trade and investment linkages and policies that are non-discriminatory, transparent and predictable and enhance the flow of goods, investment, services and persons within the region. Kosovo is fully committed to work towards the tasks derived from the SEE 2020 Strategy.

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.

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.

The latest “World Bank Doing Business Report” notes that Kosovo had significant improvement in overall ranking and within specific indicators. In fact, Kosovo had the highest total country improvement (+28) moving from 126 place to 98th on the doing business rank of all 185 countries and the highest net improvement (+170) across all indicators. Starting a Business and Protecting Investors reforms showed the greatest improvement, with Protecting Investors for Kosovo being one of the biggest improvements across all indicators in the world. Actually, on protecting investors indicator, Kosovo moved 76 places up while in registering a business 44.

For Kosovo, CEFTA countries remain the second important foreign trade partners after the EU. Trade exchanges of Kosovo during 2012 reached about 2.7 billion Euros, a lower figure than in 2011 for 1.2 %. Regarding imports, they reached an amount of about 2.5 billion Euros, 0.5% higher than previous year. Exported goods have recorded a value of 273 million Euros with decrease of 14%. In 2012 the coverage of import by export was 11 %.

With all the success, however, our trade policies which reflect on CEFTA mechanisms and Agreement have shown mixed results. Even today, while we are in this meeting we are encountering new barriers which are in violation of the Agreement. I believe that we should more in CEFTA to address these challenges so they reflect positive outcomes on the ground.

These technical regulations and standards related barriers are a concern for our trade and investment cooperation. Trade barriers in the form of goods safety, animal and plant health rules and protection of the environment are obstacles to trade. We are facing customs related barriers which are not in the spirit of CEFTA Agreement. 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.

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. After all, we all share the same goal: membership to European Union which we believe should be our guiding objective.

I will thank Bosnia and Herzegovina 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.

And finally, I am using this opportunity to wish all the best for Croatia upon their membership in EU family.

Thank you for your attention.