



PRESS RELEASE

OECD, Hungarian Ministry of Foreign Affairs Address Non-Tariff Barriers in CEFTA Signatories

Budapest, Hungary – In a dynamic roundtable meeting between private sector representatives, policy makers and experts this 8 October 2009, signatories of the Central European Free Trade Agreement (CEFTA 2006: Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Republic of Moldova, Montenegro, Serbia and UNMIK/Kosovo) examined measures to reduce or eliminate non-tariff barriers to trade. Mr. Szabo Vilmos, State Secretary of the Hungarian Ministry of Foreign Affairs, presided the meeting.

Since January 2009, the OECD Investment Compact has been working on an Aid for Trade project, funded by the Hungarian government. The main goal of the project is to identify, classify and prioritise non-tariff barriers among CEFTA 2006 signatories and also assess their impact both on CEFTA internal trade, as well as on trade and investment relations with the EU countries.

As part of this Aid for Trade project, this roundtable is designed to help CEFTA 2006 signatories address non-tariff measures that prevent them from reaping the full benefits of the ambitious trade liberalisation they have undertaken.

A key outcome of the meeting represented a set of recommendations for concrete actions, endorsed by roundtable participants and both the CEFTA and OECD Secretariats. Based on the recent OECD assessment of non-tariff barriers between CEFTA 2006 signatories, and a comprehensive company survey undertaken by GTZ of Germany, these recommendations will be presented to CEFTA Ministers at the annual CEFTA Joint Committee during the upcoming CEFTA Week on 27-29 October 2009 in Podgorica, Montenegro.

In addition, former CEFTA members Hungary and Romania shared policy experiences and practices, with inputs from CEFTA countries' chambers of commerce and the regional private sector body, the Business Advisory Council.

CEFTA Background and Context

Signed in Bucharest, Romania, on 19 December 2006, the Central European Free Trade Agreement (CEFTA 2006) substantially liberalizes trade among all the signatories and seeks to expedite the adoption of EU and international standards and norms for trade in the region. The overall aim is to promote economic growth, job creation and employment.

It builds on the old CEFTA of the 1990s and contains up-to-date provisions in areas such as services,

investment, public procurement, and intellectual property. It also contains a strong dispute settlement mechanism and obliges all signatories to abide by WTO rules, even those that are not yet WTO members.

The agreement replaces all previous bilateral agreements in the region, entering into force on 26 July 2007 in Albania, the former Yugoslav Republic of Macedonia, the Republic of Moldova, Montenegro and UNMIK/Kosovo, on 22 August 2007 in Croatia, on 24 October 2007 in Serbia, and on 22 November 2007 in Bosnia and Herzegovina.

The OECD Investment Compact for South East Europe

Launched in 2000, the OECD Investment Compact for South East Europe is designed to increase regional economic development in Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo under UNSCR 1244/99, the former Yugoslav Republic of Macedonia, Republic of Moldova, Montenegro, Romania and Serbia. The objective is to help policy makers find sound policy solutions to improve the business climate for domestic and foreign investment in the region. The regionally owned South East Europe Investment Committee oversees special Working Groups dedicated to strategic reform projects, amongst them the CEFTA Aid for Trade project.