



## PRESS RELEASE

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### **A Boost for Trade in South Eastern Europe - CEFTA 2006 comes into force**

The newly enlarged and amended Central European Free Trade Agreement (CEFTA 2006) came into force yesterday, 26 July 2007, for five parties in South Eastern Europe - Albania, the former Yugoslav Republic of Macedonia, Moldova, Montenegro and UNMIK/Kosovo.

This ambitious and far-reaching agreement was signed by the five parties plus Bosnia and Herzegovina, Croatia and Serbia in December 2006 following several months of intensive negotiations chaired by the Stability Pact and supported by the European Commission. In addition to harmonising the trade regime among the parties, the agreement also includes new areas of trade policy such as government procurement and intellectual property.

Commenting on the speedy entry into force of the agreement, the Special Coordinator of the Stability Pact, Erhard Busek noted that "economically, it is a hugely important building block for development in the region. It should contribute significantly to South Eastern Europe's ability to boost trade, participate in the multilateral trading system, compete globally for much needed investment and very importantly create jobs."

He also expressed his belief that the remaining three parties would complete the final stages of the ratification process shortly and reaffirmed the Stability Pact's commitment to support the development of the necessary support structures in these early days of implementation.

Croatia has just finalised its legal process of ratification and will apply the agreement from 23 August. The agreement is on the agenda for the parliaments in Bosnia and Herzegovina and Serbia and is expected to be ratified by both by early September at the latest.

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