

JOINT DECLARATION

by Prime Ministers

**South Eastern Europe Summit
Bucharest, 6 April 2006**

Prime Ministers

REPRESENTING the Republic of Albania, Bosnia and Herzegovina, the Republic of Bulgaria, the Republic of Croatia, the Republic of Macedonia, the Republic of Moldova, Romania, Serbia and Montenegro and the Special Representative of the Secretary General, United Nations Interim Administration Mission on behalf of Kosovo acting pursuant to UNSC resolution 1244 (1999), on the occasion of their meeting in Bucharest on 6 April 2006 at the invitation of the Prime Minister of Romania and of the Special-Coordinator of the Stability Pact for South Eastern Europe;

CONVINCED that regional co-operation is an essential factor of stability and development in South Eastern Europe and an integral part of the European Union's policies towards the region;

PERSUADED that deeper trade relations contribute to developing competitiveness and attracting foreign direct investment, thereby increasing employment, economic prosperity and political stability in the region;

CONSIDERING that the Central Europe Free Trade Agreement (CEFTA) has over the past thirteen years contributed to improving the trade regime and preparing its members for eventual accession to the European Union;

WISHING to maintain and gradually extend the degree of liberalisation and co-operation provided for by CEFTA and the bilateral free trade agreements concluded between them in accordance with the Memorandum of Understanding on Trade Liberalisation and Facilitation of 27 June 2001;

HAVING IN MIND that the future of the Western Balkan countries lies in the European Union, with membership as the ultimate goal in conformity with the Thessaloniki Declaration of June 2003;

HAVING REGARD to the request by Ministers of 10 June 2005 that the Trade Working Group of the Stability Pact for South Eastern Europe "intensify its exploratory talks concerning a single free trade agreement based on the text of the Central European Free Trade Agreement and characterised by modern and comprehensive provisions, a high level of liberalisation and open to all parties in the region under conditions to be mutually agreed" and to its report thereon;

RECALLING the Prime Ministers' Declaration at the CEFTA meeting in Zagreb on 29 November 2005, regarding their determination to improve and extend CEFTA by incorporating modern trade policy issues and by amending eligibility criteria with a view to opening membership to all countries/territories in South Eastern Europe;

BELIEVING that a modernised CEFTA can improve the trade regime, including reducing non-tariff barriers, to the benefit of all the Parties and complement relations between the Parties and the European Union as highlighted in the EU's General Affairs and External Relations Council Conclusions of 20 March 2006;

HAVE today adopted this Joint Declaration and instructed responsible Ministers to conclude an agreement simultaneously providing for accession to CEFTA for the acceding Parties and amendment of the Agreement by all Parties to this Joint Declaration.

This agreement should modernise and improve CEFTA by:

- Building on the bilateral trade concessions provided for in the existing bilateral free trade agreements between the Parties, and seeking where possible to extend them;

- Including harmonised provisions on modern trade policy issues such as competition rules and state aid, government procurement and protection of intellectual property, trade in services and regulatory convergence in the relevant trade-related issues, in full conformity with the rules and procedures of the WTO;
- Including clear and effective procedures for dispute settlement and a mechanism to improve compliance by all parties both to the agreement and to WTO rules, including for those parties not yet members of the WTO;
- Facilitating the gradual establishment of the EU-Western Balkan countries zone of diagonal cumulation of origin, as envisaged in the EC Communication of 27 January 2006;
- Providing a suitable framework to manage the agreement and review its efficient implementation.

To this end, the Parties agree to initiate by 31 May 2006 formal negotiations under the auspices of the Stability Pact for South Eastern Europe with a view to concluding by 31 December 2006, an agreement simultaneously providing for accession to CEFTA for the acceding Parties and amendment of the Agreement by all Parties to this Joint Declaration.

Adopted in Bucharest, on the 6th day of April in the year two thousand and six:

Republic of Albania

H.E. Mr. Sali BERISHA
Prime Minister

Bosnia and Herzegovina

H.E. Mr. Adnan TERZIC
Prime Minister, President of the Council of Ministers

Republic of Bulgaria

H.E. Mr. Sergei STANISHEV
Prime Minister

Republic of Croatia

H.E. Mr. Ivo SANADER
Prime Minister

Republic of Macedonia

H.E. Mr. Vlado BUČKOVSKI
Prime Minister

Republic of Moldova

H.E. Mr. Vasile TARLEV
Prime Minister

Romania

H.E. Mr. Călin POPESCU - TĂRICEANU
Prime Minister

Serbia & Montenegro

H.E. Mr. Vuk DRAŠKOVIĆ
Minister of Foreign Affairs

Republic of Serbia

H.E. Mr. Vojislav KOŠTUNICA
Prime Minister

Republic of Montenegro

H.E. Mr. Milo DJUKANOVIĆ
Prime Minister

United Nations Interim Administration Mission in Kosovo

Mr. Søren JESSEN-PETERSEN
Special Representative of the Secretary-General