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ALBANIA

<u>Statement by H.E. Mrs Ermelinda Meksi</u> Minister of Economic Cooperation and Trade

I want to also start by thanking His Highness the Emir of Qatar, the Government and people of Qatar for their hospitality shown an the occasion of the Fourth Ministerial Conference of the WTO.

Allow me also to express on behalf of the Albanian Government and personally our appreciation, congratulations and gratitude to the Director-General Mr Mike Moore and to all WTO Secretariat structures.

As the representative of a Member country since more than one year now, I want to express also my gratitude for the help and support given by Member countries participating in the Working Group for the accession of Albania and by the WTO Secretariat in Geneva during the accession process. This process has represented to the Albanian Government the most important priority in the field of trade for the last years.

The biggest value added to this accession for my country consists in the fact that the participation in the multilateral system of the world trade creates all the premises to a successful process of integration for a country that has inherited from the 1990s an extremely underdeveloped and isolated economy in regard with the other parts of the world.

If allowed to do a little bit of history, I would emphasize the moment: Albania and the WTO. At the beginning, this new relation of a small and poor country, just coming out of eruptive developments following the change in systems with an organization of such dimensions as the WTO, represented a kind of fear in the integrity of problems that Albania had to address.

In this point of view, becoming a Member country of such big and scrupulous organization, where Albania had to play the partner to developed countries, in terms of economic indicators and basic social and political principles was considered as a luxury.

Later on, the relation was accompanied by a sort of euphoria and more conceived as a political will than as a long process involving debates and sometimes difficult negotiations.

By the end of 1998, Albania had fixed the accession in the WTO as a priority in the economic programme of its Government. The country presented a team composed of many experts and technicians covering the numerous fields of the WTO Agreements. They worked under the "vitesse de croisière" (cruiser speed) to fulfil all obligations and to set the country parallel with the other Member countries. The team elaborated also an accession national strategy and managed to alternate country's interests with the principles of the multilateral trade system and with all the obligations that Albania had from its agreements with other international institutions such as the World Bank and the IMF.

The accession process was very intensive and difficult. Meanwhile it marked a, deep institutional reform, where I would like to emphasize the ambitious legal package with some 66 legal and Governmental acts that assessed the Albanian trade legislation compatible with the WTO principles and with all international standards, the new package of policies in fields such as the TRIPS, the Rules of Origin, in customs in general, the reform in services, in the standards and so on. All these measures provided Albania with a very liberal and constructive trade regime. The country became an acceptable partner and ready to integrate. The team reached to avoid protectionist policies, which generate economic isolation and minimize possibilities to extend multi-plan relations with the other parts of the world.

In this framework, the Albanian structure related to the WTO, that is the Negotiators Group as well as the Albanian Secretariat for Coordinating the Relations with the WTO, is trying to learn more about the WTO and its philosophy. It is evident that within the structures of the Organization there is a mechanism that operates to settle even issues that seem irresolvable. The question is not being against the WTO, the question relies in getting to know it in detail with the intent of improving the mechanism and the Organization as a whole.

During the post-accession year, Albania has signed the Memorandum of Understanding for Trade Liberalization and Facilitation among European Southeastern Countries, which marks a concrete achievement of the Stability Pact for Southeastern Europe, an initiative of the international community aiming at the strengthening of economic cooperation among the countries of the region, as well as of the latter with the other parts of Europe and the world, by including free trade areas.

In this point of view, the fact that Albania is a Member Country of the multilateral trade system and the radical legislative reform undertaken during accession, in order to increase the compliance with the WTO rules has eased the work of concluding an Association and Stabilization Agreement with a Member of the WTO such as the EU. The same fact is contributing to pave the way also to the Free Trade Agreements of Albania with other countries in South Eastern Europe. These regional initiatives should serve as stimulus to a wider extension of the process of trade liberalization and to globalization challenges.

I would like to mention also another opportunity offered to Albania as a result of its accession in the WTO and which is related to trade preferential systems that some Member countries have applied to goods of Albanian origin. These treatments will help Albania promote its exports and will support its economic recovery. In taking this opportunity, I am confident that also other developed Member countries will promote and apply this practice, by attesting once again the flexibility of the WTO Agreements at the intent of creating spaces to developing countries or to countries with economies in transition to benefit, without generating barriers for other Member countries.

By being confident that this Conference will endorse many deliberations in favour of the less developed countries, of the developing countries or of countries with economies in transition, allow me to present some of the issues that Albania would consider to bring to your attention:

- In regard to the market access of goods, we agree with the tariff reductions provided in the Agreement on Agriculture, but we share the opinion that an improvement has to be endorsed in order to have a definite flexibility in favor of countries with economies in transition, by recognizing this way our need for a higher market access and the very high real cost resulting from the transition process.
- Under the conditions that support, promote and develop the sector of agriculture a sector that generates over 50 per cent of the GDP in Albania and where 70 per cent of population lives in rural areas, the increase of the *de minimis* level for internal support

in the Agreement on Agriculture would be of extreme benefit for the countries in transition.

- We have to have in the future the right to use the *special safeguard* clause, given the important role that it plays in the reinsurance of farmers. In this way, the progressive reductions of tariffs will not leave Albanian farmers without efficient protection toward unpredictable changes of imports and of import prices that can produce negative effects on them.
- The inclusion in the Article 27.4 of the Agreement on Subsidies and Counterbalancing Measures of a paragraph to enable the use of subsidies in exports for economies in transition would be of particular importance for the support and promotion of exports from countries with economies in transition.
- Under the conditions of trade liberalization and facilitation, the dumping practices are quite possible. For this reason, it would be of benefit to the countries with economies in transition to have some changes in the Article VI of the GATT Agreement on Anti-Dumping Measures, such as: the creation of a Settlement Body to address the disputes in anti-dumping measures or the reduction at the minimum required for the costs that the countries with economies in transition will have to endure in opening an anti-dumping case or in defending themselves from it.

With the high conviction that the interrupted process of Seattle will be overcome as an handicap, I wish that we all together during this panel of giant dimensions find a common language, by improving the system and addressing a series of debates and discussions in the aspect of privatization of vivid material of the bio-diversity, of the GMO, of the multi-functionality, of the human rights and so on; on which we all as actors in a developed world are keen in.

At the end, I would like to take the occasion to reconfirm the will of the Albanian Government to be an integrating part of the multilateral trade system and I express my firm conviction that as long as the political will to strengthen this system will exist, there will be always a wider room to benefit from the advantages it offers.