

Dear Presidents, Ministers, Economic Experts and Majors,
Dear Friends,

We have gathered together once again this year within the frames of the Regional Economic Forum for South East Europe. I'm convinced that you would agree with the claim that this Forum managed to outgrow in an authentic regional, and I would add, European Institution. It did so due to its sincere determination to give answers and guidelines for economic cooperation in the region and to simultaneously represent a kind of incubator for closer regional political and business bonding.

This Sixth Forum, held in Sarajevo, in the very heart of the Region, carries additional political weight which is, above all, generated by the current theme of debate. Its special importance is also due to the exceptionally numerous and representative participants, namely all of you – distinguished Presidents of the countries in the region, majors, affirmed members of the wider scientific and research community, as well as managers of the national economies in the region of South East Europe.

The dedication to speak about the crucial problem which is facing the World and Europe today, accentuates the fact that the Forum's approach is up to date and targets for the essence, and at the same time increases our joint obligation to search for relevant answers and further integration in the global political and economic processes. If on the previous meetings we unanimously concluded that our countries are more of a partners than competitors, then I believe that for us there is no alternative to joint coordination in the efforts to eliminate the crisis' causes and find integrated solutions for fast and as painless as possible way out of it.

Ladies and Gentlemen,

The economies in the region, starting with the second half of 2008, have faced the cumulative financial effects of the socio-economic model they had been developing during the previous decade.

Initially arising as financial, the crisis which certainly hasn't spared our region, after a very short period developed clear signs of economic crises, destroying thus the tissue of most of the industries, especially of the production and processing industries, which are nowadays most severely stricken by the non appropriate and only partially efficient answers of the creators of the economic politics to its real causes.

I believe that today there exists a uniform agreement across all regional economies that there is no real, sustainable and middle-term stable path for increasing the competitiveness of the national economies without developing an economic vision for the entire region. This view is opposed to the isolated exclusive dedication to the separate national problems and challenges generated by the crisis. Totally mistaken and structurally untenable will be those economic politics which won't be able to understand the fact that if the economic weaknesses and limitations are not only national, similarly the solutions must not be sought only within the national borders. Moreover, I would like to stress that on this Forum we have more than once expressed our dedication to the development of regionally integrated national economies, economies with perspective.

The development of regionally and internationally recognizable and competitive business subjects, as well as the creation of brands of products or services in each of the national economies, assuredly has to take in consideration the global international economic and political courses. These recommendations clearly call for minimizing the role and influence of protectionism in the multilateral, and especially in

the bilateral economic relations. In that sense, one of the expedient answers should be sought in the more intense utilization of the advantages and opportunities that SEFTA, as vital regional cooperation mechanism offers. We should also try to confront the financial reasons and realistic effects of the world crisis with the efforts to increase the role of the independent regulatory bodies for control of the financial transactions. That is, after all, one of the goals we are trying to achieve – decreasing the dependence of the regulatory bodies on the carriers of the economic politics.

Taking in consideration the complex of the announced economic events in the next year, I believe that both for the economic perspective of South East Europe as a whole and for each of our countries in particular, it is of immense importance to focus our cooperation on two levels. The first would be the one which should facilitate regional intensifying of the exchange of goods, services, capital and technologies, as well as labor. The exchange in question ought to be based upon the premises of the bilateral and multilateral agreements. The second pertains to the full utilization of the economic benefits provided by EU membership, as well by the process of its realization.

Both levels are directed toward drawing a solution to the essential challenges that the crisis has imposed. Specifically speaking, our efforts should be directed toward clear perception of the necessity for each state to have effective and responsible leadership, which would be capable, especially in crisis environment, to manage the causes, and not only the effects of the crisis. We are the ones who should stress the need for continuous modernization of the sectoral structure of each national economy, which would mirror not only the national particularities of each of our countries, but also of the developed and altered regional and international needs. Moreover, continuous activity aiming at complete regaining the trust of the populace and the business subjects in the potentials of essential and sustainable regional economic cooperation

should be carried out. We ought not depend only on an one-time-basis regional economic cooperation.

Ladies and Gentlemen,

The attainment of functionally sustainable economy in each of our countries will be possible only if we manage to achieve a novel kind of unification of the regional know-hows, experiences and skills. With the help of such unification we will be able to develop the areas of mutual economic interest, in conditions of global struggle for control over the economic and natural resources. In the course of this process, it is of exceptional importance for all of us not to utilize solely in protectionist manner the businesses and industries which have national priority and are competitive. In a word, we are all directed toward full acceptance of the principles of the concept of regional liberalization, refined by the integral forms of the financial regulation which were imposed upon us as one of the effect of the crisis.

Not a single form of regional economic integration cannot neither exist nor develop without deep and realistic change of consciousness when it comes to our mutual bonds and economic interdependence. In this context, the cooperation must not by any means be understood only as economic, because the need for long term investments becomes more and more necessary also in the areas of education, health and social security, protection of intellectual property rights and in the fight against organized crime and corruption.

I believe that we remain dedicated to the process of regional legislative harmonization, especially when it comes to the elimination of the non-tariff barriers, which will nullify the obstacles to substantial regional economic cooperation. The future of such cooperation is also strongly determined by the efficacy of the mechanisms for decreasing the role of the state, as well as for strengthening of the competitive environment.

Respected Participants,

Before I conclude my address, I would like to mention, as an introduction to the debate, that the efficacy of the processes of our economic integration and development should be measured by the success in the accomplishments of the following economic challenges and incentives for action:

1. Providing institutional stability, especially in the segment pertaining to the system of economy and the politics of competitiveness of each national economy;

2. Strengthening of the capacities of all business subject in any form of regional economic integration, as a way of handling the realistic competitive pressure administered by the Euro-zone economies, as well as of increasing the potentials for broadening the existent and opening new markets;

3. Increasing national production in the included businesses and industries, as well as the scope of the trade among our countries. That would, on its turn, influence positively the quality of productivity and profitability of every business and industry.

4. Decreasing business risks and increasing the degree of control and transparency of the business subjects, as a result of the increased number of market segments most fitted for regional cooperation, in each individual country, as well as:

5. Realistic decrease of the unemployment rate through regional development of flexible forms of employment and self-employment on the labor market.

Dear Friends,

The future of our economic unification is open for all of us. It recognizes no dead lines, brings no short-term effects, allows for no hiding behind national problems. I am convinced that we

will succeed in accomplishing these common goals and tasks through wise and partnership-oriented utilization of the market benefits and opportunities. Thus we will strongly affirm the need for unification, which includes full mutual trust and respect of the specific national features.

Let me express my gratitude for the honor to open the Sixth Regional Economic Forum, and wish you a successful debate and constructive conclusions which will prove beneficial for all of us.

Thank you for your attention.