

## **The address of the President Topi to the Regional Economic Forum for the South East Europe**

November 23, 2007

Dubrovnik,  
Croatia

**Distinguished Mr. Stjepan Mesić,**

I would like to thank you from the outset about the invitation and welcome to the beautiful city of Dubrovnik, whose history helps us to offer the best example of diplomacy and trading cooperation among our countries, which can trace back its origin to the old times of the Trading Republic of Ragusa.

**Dear colleagues,  
Ladies and Gentlemen,**

I have the special pleasure on behalf of the Albanian State to address the Fourth Meeting of the Regional Economic Forum with some views connected to the Competition and Partnership in our Path to the European Union.

While praising the improvement of the political life in the region which is reflected on the bilateral and multilateral relations and the creation of an increasingly positive image, I would have liked to point out the progress made ever since that time when Mr. Erhard Bussek, who was heading at the time the Stability Pact, suggested and led the efforts to liberalize the trade in the South East Europe countries.

As always, Albania in its regional policy will be based on the intensification and deepening of the good neighboring and cooperation relations with other regional countries, led by the fundamental principles such as constructiveness, realism and spirit of compromise to the benefit of a stabilized region which in peace progresses more and more towards Euro-Atlantic integrations.

The Albanian state and the Albanians have played a significant role at increasing and strengthening the inter-state relations, at enhancing the spirit of reciprocal understanding and trust with the Western Balkans countries, by demonstrating this way European values and clear Euro-Atlantic aims and moderation as well throughout all these troubled years of crisis in the region.

In this sense, I think that the up to the present costs have been smaller of what they would have been if we would not have managed to sign this agreement which more and more invites us for competition and development.

The attraction of capital investments to the markets, natural and human resources of our countries have been and remain the main objective of the Central Europe Free Trade Agreement, because it is fulfilling one of the most important conditions for investors: the market size of about twenty five million consumers.

For this reason, the fiscal regime of each country as the crucial element of the policy to increase investments must be prepared in compliance to the Business Tax Code of Conduct of the European Union, in order to have the existing and the future taxing incentives fully respecting this Code.

Besides the taxing competition, the differences among our countries regarding the physical infrastructure and human capital – for which are needed time and funds – have an impact on the attraction of foreign investments.

The identifying and the serious analyzes of all the factors that have a positive impact on the common interests, would show from which type of taxing competition we must adhere to.

The existing practices of the EU Agreement ban or limited any measure that secures a special advantage for an investment if that measure would not be backed up by a number of reasons that condition the state assistance.

In commensuration to the assistance needed by each country, but not running against the EU Code, any exemption from this would be necessary.

The careful review of the fiscal legislation of each country will make possible the taxing incentives to be in compliance with the legal customs practices and those of the state assistance.

The elimination or the limiting of the use of tax incentives for the investments within certain frames is unavoidable, because there are no chances for any of our countries to take upon the risk of unilateral retraction from competition and development offered by CEFTA.

The taxing harmonization is a process that demands a great deal of maturity, of work and many efforts.

I believe and wish that the experts will make the necessary compromises to reach that consensus which would harmonize the common interest with the interest of each individual member country.

Thank you!