

“PROMOTION OF REGIONAL COOPERATION FOR IMPROVING MARKET COMPETITIVENESS OF CEI AGRICULTURAL AND FOOD BUSINESS”

THE CEI BUSINESS FORUM

Skopje, Republic of Macedonia, 26 November 2015

CONCEPT NOTE

The CEI Business Forum dedicated to the theme “Promotion of Regional Cooperation for Improving Market Competitiveness of CEI Agricultural and Food Business” will be organized under the Macedonian Presidency with CEI on 26 November 2015. The CEI Business Forum will provide opportunity to engage representatives from the agriculture and food businesses of CEI member States in a discussion how to address the challenges to further increase market competitiveness by improved cooperation and exploiting the potentials given by EU accession process. The forum should serve as a platform for the exchange of experiences and best practices on these issues among the old and new EU member States and accession and candidate countries, as well as EU neighborhood countries.

Background

The agriculture sector and food businesses remain significant for CEI economies and development of their rural areas. Intra-regional trade and the single European market are the most important destinations for CEI agricultural and food products. Regulated under accession agreements with the EU, a gradual process of adaptation of EU legal and policy setup into national context has been taking place for many years among CEI countries. Increasing the agri-food sector competitiveness which is identified as the main strategic objectives of the national agricultural policies is supported by free-trade access to the EU market and IPARD pre-accession funding of rural development and restructuring of agro-food industry. By this way the companies should become prepared to successfully cope with the future competitive pressure on the single European market upon accession.

Nevertheless, beside the opportunities in place, CEI food and agricultural businesses are facing with a lot of challenges – starting from lack of capacity of the companies from acceding and candidate countries fully to utilize the benefits from the free access granted to the EU market and ending to banned trade and markets’ instability the business coming from EU member states and EU neighboring countries are facing with. The first suffer from small-scale structure, lack of experience for behaving on the EU market along with need to implement requested standards and improve their marketing, while the last ones demand new markets for their products. A higher degree of utilization of investment pre-accession funds is another challenge faced by candidate and potential candidate countries.

In such circumstances, it seems that the enhanced cooperation can add to better performance of CEI agricultural and food sector business in general.

Objectives and Outcomes of the Conference

The Business Forum provides opportunity to gather different actors from the agricultural and food businesses (representatives from companies, from Chambers of Commerce or Business Associations and governmental officials) who share similar objectives and challenges and have interest in expanding their business contacts and market opportunities. CEI through its membership and accumulated expertise is well-placed to engage more actively on this issue and within the EU integration contribute to bridging of the gap between EU, old and new Member States and non-EU Member States (EU accession, candidate and neighborhood countries). CEI can also contribute with the unique feature the Organization possesses - the promotion of effective regional cooperation through a combination of multilateral diplomacy and project management.

Utilization of benefits from the preferential treatment with the EU and increasing export for non-EU companies is possible if they become aware and skilled to overcome non-customs barriers (primarily the minimum quality and food safety standards for agriculture products), to access the market information and improve their marketing capabilities and post-harvest activities. Limited quantity of products offered by single producer in most of these countries makes the future regional cooperation even more desirable. On other side, due to the historical linkages sometimes these companies have better approach to alternative markets outside the EU for which European companies may express interest. Exchange of experience from companies which have successfully completed the processes of restructuring in improving market standing prior to their countries' admission to the EU and which are now successfully operating on the single market would be greatly beneficial. This also refers to actions that have been taken for better absorption of pre-accession funds for modernization and application of the EU standards.

Envisaged outcomes and results

By promoting the regional business cooperation and exchange of experiences the Forum attempts to contribute in improving market competitiveness of CEI agricultural and food business. B2B meetings in the afternoon session will provide opportunities to expand the business contacts and network among companies from CEI Member States, which will be the practical outcome of the Business Forum.

On the other hand, the discussion at the Business Forum summarized in form of conclusions could serve as guidance to policy makers, Chambers of Commerce and Business Associations in creating more favorable business environment.

Guidelines for Participation

A working agenda has been annexed to this concept. A moderator will guide the discussion over the course of the agenda. The **first panel** at the conference will address the question "How to behave better on the Single European market - taking real advantage of the tariffs-free access". This panel will focus on specific EU market chains' requirements and provide more information on the new stages for food-agro business till 2020 - the CAP and other related policies with the effect on competitiveness in the agro-food markets post-2015. Within this panel a case study will be presented on transformation from pre-accession to a successful EU company.

The **second panel** devoted to “Sustainable forms of cooperation of CEI agri-food businesses for increasing their share on the markets” should contribute in giving the answer on how to improve the interregional business cooperation. To that goal presentations will be delivered by donor organization, intergovernmental free-trade initiative, Chamber of Commerce and an initiative attempting to associate the wine producing companies on the Balkans.

The **third panel** will cover the issues on efficient ways of public support in improvement of agro-food competitiveness through the utilization of pre-accession funds and state agency for national marketing promotion. Practical experiences are expected to be presented from the company that benefited from state support in obtaining better market position.

Experts and entrepreneurs who are directly involved will give Power Point presentations. They will share their personal experience and will present opinions and lessons learned. After each panel the discussion will be opened to the wider audience. Speakers are expected to provide analytical notes in advance in accordance to their respective mandate of the session. Invited participants who would like to make statements in the discussions are kindly requested to indicate their intentions in advance in order to make good time management of the session.