## **DRAFT WORK PROGRAMME**

# CEFTA Subcommittee on Customs and Rules of Origin

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#### INTRODUCTION

CEFTA Structures have indentified trade facilitation and liberalisation of trade in services as two main priorities for the period of 2014-2020. Such bi-prioritisation of the upcoming period in the implementation of CEFTA has also been reflected in the actions underlined by the South East Europe 2020 Strategy.

In this framework, the CEFTA Parties have also agreed that CEFTA Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and Technical Barriers to Trade and NTBs are to work under the objective of trade facilitation, and extend the scope of cooperation with each other while dealing with the different aspects of trade facilitation in relation to the areas under their mandates.

Furthermore, CEFTA Parties have agreed to establish Committee of Trade Facilitation which the three Subcommittees will report to.

In addition, CEFTA Parties have agreed to launch negotiations for a framework agreement with the following scope:

- a. Simplification of inspections related to <u>all clearance procedures</u>, <u>and reducing</u> <u>formalities to the possible maximum extent</u>,
- b. Determining the <u>means and obligations of exchange of data between customs</u> <u>authorities</u> to the extent that each national legislation allows.
- c. <u>Recognising mutually national Authorised Economic Operators Programmes</u> in each CEFTA Party provided that both legislation and implementation of each national programme is fully in line with the relevant EU acquis.
- d. <u>Recognising EU Authorised Economic Operators</u> by each CEFTA Party

According to the work plan agreed in 2014, the negotiations of framework agreement are expected to start in January 2015 and to finish by the end of 2015.

Furthermore, there are two upcoming Technical Assistance Projects of which the CEFTA Structures are to be directly beneficiaries in the area of trade facilitation.

The first project is to be financed by the GIZ, and will be about "Addressing Market Access Barriers in Selected Supply Chains in CEFTA". The project is to be implemented by UNCTAD and ITC. The main objectives of the project are to identify the main trade distorting market access barriers in all stages (i.e. before the border, border and behind the border measures) and to provide recommendations for their eventual elimination. In the implementation of the project, the participation of private sector representatives is to be strongly encouraged, particularly in the stage of identification of market access barriers. Implementation of the Project is expected to start early 2015 and to last until mid 2016.

The second project is to be financed by the EU in the framework of IPA II Multi-beneficiary programmes. The EU-financed Trade Facilitation Project in CEFTA is to have three different components. The first component is to be about addressing and eliminating main trade distortive NTBs in CEFTA Trade, with a particular focus on the behind-the-border measures

in EU non-regulated areas. The second component is to provide technical assistance to CEFTA Parties in the implementation of Framework Agreement, if it is signed with the scope written above. In this regard, it is expected that the EU TF Project will provide technical assistance for strengthening the implementation of AEO Programmes, risk management systems of border agencies, and electronic exchange of data. The last component is to be about preparing documentary requirements maps to identify redundant and overlapping data submission requirements in CEFTA Parties.

Thus, it is of crucial importance that the three CEFTA Subcommittees to work in close interaction with each other while taking actions under the areas of their mandate with an aim to contribute reaching the expected results of CEFTA-SEE 2020 Trade Facilitation related priorities.

Therefore, in 2015 the Working Programmes of three Subcommittees have a joint introduction, and synchronised overall objectives in order to ensure a strong basis for coordinated actions by Chairmanships of three Subcommittees throughout 2015.

## **1. THE SUBCOMMITTEE AS A PART OF CEFTA STRUCTURES**

## **1.1.** Mandate of the CEFTA Subcommittee on Customs and Rules of Origin as determined by the Decision of the Joint Committee 4/2007

The following areas have been determined as the main mandate of the CEFTA Subcommittee on Customs and Rules of Origin which was established by the Joint Committee Decision No. 4/2007:

- Exchange and discuss information on a regular basis on measures to simplify and facilitate customs procedures in the region;
- Facilitate for customs authorities to cooperate in setting up integrated border management systems, single windows and data harmonisation in the region;
- Exchange information on measures to maintain the integrity and the efficiency of the respective customs services;
- Cooperate with on-going and future international programmes to ensure their full benefit;
- Ensure harmonised implementation of common rules of origin with a view to inter alia enabling diagonal cumulation of origin;
- Exchange information on a regular basis on the implementation of rules of origin;
- Monitor and discuss how the Parties implement provisions regarding rules of origin and administrative co-operation;
- Discuss measures to control and ensure the validity of certificates of origin;
- Further dialogue with appropriate business organisations so traders are informed of

procedures involved in obtaining certificates of origin.

The same decision stipulates that the senior civil servants responsible for customs issues from the CEFTA Parties hold one meeting per year, but can meet on an ad hoc basis, if needed.

## **1.2.** Mandate of the CEFTA Working Group on Customs Risk Management as determined by the Decision of the Joint Committee 1/2012

According to the Decision 1/2012, the main tasks of the Working Group on Customs Risk Management would be as follows:

#### (i) Cooperation in the field of customs risk management:

- To exchange information on the existing or any amendment adopted in the national rules and regulations on customs risk management, and its implementation,
- To share best practices in customs risk management, particularly with regard to its implementation, training of staff, administrative organisation and decision making processes, inter-agency and intra-agency cooperation and coordination, and crossborder cooperation,
- To cooperate, assist each other and exchange views and experiences on legal reform to be adopted by the CEFTA Parties in the context of relevant EU integration process,
- To discuss the implementation of regional or national projects in the field of or which may have a direct impact on customs risks management, in particular EU financed project on Systematic Electronic Exchange of Data (SEED), with an aim to develop common regional positions regarding the issues deemed to increase the relevance, efficiency, effectiveness, and impact of the projects concerned for customs risk management.

#### (ii) Explore possibilities for creating and applying joint risk profiles

- To prepare a work program planning the activities need to be taken to create and apply joint risk profiles for risks which are deemed common throughout the region,
- To discuss common risks in the field of customs, and the most appropriate level of action to cope with those common risks,
- If justified according to the point above, to initiate the preparation process for developing joint profiles,
- In this task, priority to be given on developing non-risk areas on which a number of non-risk profiles could be developed with a view to facilitate the regional trade through simplification of customs procedures and reduce the formalities imposed on trade.

## **1.3.** Mandate of the CEFTA Working Group on Electronic Exchange of Information as determined by the Decision of the Joint Committee 4/2014<sup>1</sup>

The specific functions of the Working Group are:

(i) Cooperation in the field of electronic exchange of information

- To exchange information on the existing or any amendment adopted in the national rules and regulations on electronic exchange of information between customs authorities, and its implementation,
- To share best practices in electronic exchange of information, particularly with regard to its implementation, training of staff, administrative organisation and decision making processes, inter-agency/institution and intraagency/institution cooperation and coordination, and cross-border cooperation.
- To cooperate, and assist each other and exchange views and experiences on legal and procedural alignment to be adopted by the CEFTA Parties in the context of relevant EU integration process, in particularly with the interoperability between national IT systems and EU Databases
- To discuss the implementation of regional projects in the field of electronic exchange of information, with an aim to develop common understandings to address the functioning and sustainability related issues to increase the relevance, efficiency, effectiveness, and impact of the projects concerned.

(ii) Explore possibilities for extending the scope of electronic exchange of information in all types of clearance stages

- To propose legal, and procedural possibilities in the framework of CEFTA Agreement in order to ensure sustainability of data exchange, and extend the scope of data exchanged electronically, and to include other governmental agencies and institutions than the Customs Authorities in electronic exchange of information, and
- to propose the most feasible IT related solutions to serve the overall objective of trade facilitation and deterrent security, and safety related controls,
- In this task, priority to be given to include the pre-arrival electronic exchange of information between Sanitary and Phytosanitary (SPS) Authorities and between SPS Authorities and Customs Authorities into the existing or new IT tools for the electronic exchange of data with a view to facilitate the regional

<sup>&</sup>lt;sup>1</sup> At the JCM meeting on 21 November 2014, the Ministerial Decision on Establishment of CEFTA Working Group on Electronic Exchange of Information was adopted by all CEFTA Parties except Bosnia and Herzegovina, which made a reservation regarding (completion of) its internal procedure. This Work Programme is prepared under the assumption that BiH will complete internal procedures with regard to the adoption of the Decision No 4/2014 before 31 January 2015 when this document is to be published.

trade through simplification of customs procedures and reduce the formalities imposed on trade,

# 1.4. CEFTA Ministerial Conclusions of 2014 in relation to trade facilitation and Subcommittee on Customs and Rules of Origin

In its latest meeting of November 2014, the CEFTA Ministers declared that that CEFTA Parties agree to launch negotiations with an aim to conclude a framework agreement between Customs Administrations of CEFTA Parties for simplification of inspections, exchange of data, and cooperation of trade partnership programmes by the end of 2015. Though, the framework agreement is stated to be signed between Customs Administrations of CEFTA Parties, the scope of negotiations, in particular the one related to simplification of inspections related to all clearance procedures, will require the participation of agencies involved in clearance stages.

To conclude the negotiations of framework agreement by the end of 2015 is an important milestone in the trade facilitation related priorities of CEFTA/SEE 2020. The Ministers reiterated that the positive role which trade facilitation is to play in promoting regional trade by decreasing cost and time to trade in the Region. They have emphasised that trade facilitation requires a high level of policy coordination between different Ministries in the national level and thus it requires Ministries for Trade to lead such policy coordination process with an aim to facilitating trade while Customs Authorities are better placed to deal with technicalities thereof.

The CEFTA Joint Committee of 2014 instructed appointing a CEFTA Contact Point from each Customs Administration of CEFTA Parties at the level of Deputy Director according to Article 44 (2) of CEFTA Agreement and tasked to coordinate the negotiations of Framework Agreement on behalf of his/her own CEFTA Party. These CEFTA Contact Points in each Customs Administration are also to be responsible for coordinating all customs related discussions in CEFTA Structures on behalf of their administrations, in coordination with the existing CEFTA Contact Points at the Ministries for Trade who will continue acting as the main contact point for each CEFTA Party.

In the context of trade facilitation, CEFTA Ministers have confirmed that risk management is to be at the centre of trade facilitation efforts in CEFTA, and all trade facilitating and simplification measures including exchange of data.

Such conclusions have basically drawn the main framework of trade facilitation related priorities and actions of the Montenegrin Chairmanship of Subcommittee on Customs and Rules of Origin in 2015.

## 2. OBJECTIVES OF THE CHAIRMANSHIP

Montenegro has indentified the objectives of its Chairmanship of CEFTA Subcommittee on

Customs and Rules of Origin as follows:

- To conclude negotiations of the framework agreement with full participation of customs authorities of all CEFTA Parties but also of all the relevant technical agencies involved in clearance at the border, and to have the text of Framework Agreement ready for signing by the CEFTA Parties by the end of 2015.
- 2) To strengthen the level of regional coordination in the field of rules of origin with an aim to sustain the proper implementation of the CEFTA Origin Protocol, and respond to any upcoming need for its modification;

## 3. PRIORITIES OF THE CHAIRMANSHIP

The Chairmanship of Montenegro has identified two priorities in relation to trade facilitation, and three priorities under the objective of rules of origin. Main Priorities:

### Trade Facilitation

<u>Priority 1: Steering the whole negotiation framework through CEFTA Subcommittees</u> (Customs and RoO, TBT and NTBs, and Agriculture and SPS) and Working Groups thereof to reach a jointly agreed text of Framework Agreement in the following:

- Scope, and legal conditions and administrative formalities for simplifications which operators may benefit in pre-clearance by technical agencies at the border, clearance and post-clearance by the customs.
- Scope, and legal conditions and administrative formalities which (pre-arrival) data are to be exchanged electronically bi-laterally between customs authorities, and nationally between technical agencies and customs authorities which can then be partially or fully be exchanged bi-laterally with a view to ensuring simplifications in clearance, and strengthening deterrence of security and safety controls done of border agencies
- Scope and content of regional electronic databases which customs authorities may benefit
- Scope, and legal conditions and administrative formalities which the CEFTA Parties may recognise their trade partnership programmes (AEO) mutually at the regional level.
- Scope and content of a list of inspections which other technical agencies undertake in line with their mandate which can be recognised by the Customs Authorities in validation of AEOs at the national level.

Priority 2: Addressing the main trade distortive non-tariff measures and Enhancing Transparency In this regard, the Chairmanship of Montenegro will make its best efforts to contribute to the discussions and activities to take place in the framework of the GIZ financed project "Addressing Market Access Barriers in Selected Supply Chains".

#### Strengthening Regional Cooperation in Rules of Origin

## Priority 3: Modification of CEFTA Origin Protocol in a way to serve the economic interest of the CEFTA Region

The Chairmanship of Montenegro will do its best efforts to utilise Subcommittee on Customs and Rules of Origin to elaborate the recommendations to improve CEFTA Origin Protocol in a way to serve the economic interest of CEFTA Region. In its efforts, the Chairmanship will present to the Subcommittee the findings of the Project on "Measuring Implementation of Diagonal Cumulation in CEFTA". According to the preliminary findings of the Project, the level of utilisation of diagonal cumulation in CEFTA is very low. However, the operators generally prefer using inward/outward processing regimes. According to these findings, the CEFTA Origin Protocol might be revised to abolish "prohibition of drawback rule" and to allow "full cumulation".

However, the Chairmanship considers utmost necessity to follow a gradual approach in employing such changes in the CEFTA Origin Protocol in order to reap the maximum benefits from them. Firstly, it needs be proposed that such changes are to be made in the PEM Convention rather than individually in CEFTA. If it is not possible, or it will take lengthy, the CEFTA Parties may consider proposing such changes in their bi-lateral FTAs with EU, Turkey and EFTA States.

Such recommendations will be discussed extensively with the CEFTA Parties during the Subcommittee meetings or technical workshops which the Subcommittee will organise.

### <u>Priority 4: Elaborating Regional Positions to propose the modifications in PEM Convention to</u> <u>serve the economic interest of the CEFTA Region</u>

The Chairmanship of Montenegro will lead to consolidate the recommendations agreed by the CEFTA Parties during the discussions under the priority 3, and elaborate them as a joint CEFTA Position to be presented during the PEM Convention Working Group Meetings.

Priority 5: To coordinate with the Subcommittee on Agriculture and SPS, and Subcommittee on TBT and NTBs in order to outreach the manufacturers of processed agricultural products, and textile and clothing for explaining offensive and defensives aspects of the PEM Convention

The Chairmanship of Montenegro will contribute to the preparation of CEFTA Conferences on PEM Convention in PAPs and Textile and Clothing Sectors to advocate the Convention and diagonal cumulation for trade promotion purposes.

### 4. ACTIVITIES OF THE CHAIRMANSHIP

#### **Objective 1: Trade Facilitation:**

Priority 1: Steering the whole negotiation framework through CEFTA Subcommittees (Customs and RoO, TBT and NTBs, and Agriculture and SPS) and Working Groups thereof to reach a jointly agreed text of Framework Agreement

#### Activity 1. Appointing CEFTA Contact Points in each Customs Administration

The Chairmanship of Montenegro will take as its first activity to send a letter to each Customs Administration and request them to appoint their relevant Deputy Directors General as CEFTA Contact Point to deal with customs related matters in CEFTA, and in particular to coordinate the negotiation process on behalf of his/her Party.

### <u>Activity 2: Steering Negotiations of the Framework Agreement and Coordination between TBT/SPS</u> <u>Authorities and Customs Authorities at the national level in each CEFTA Party for negotiations of the</u> <u>Framework Agreement</u>

Negotiations will start as of January 2015 by the letters of CEFTA Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and NTBs and Technical Barriers to Trade through which each CEFTA Party is to be invited to elaborate their national negotiation positions within the scope agreed by the CEFTA Joint Committee of 2014.

It is planned that there will be two rounds of negotiations in 2015. The first one will be held in May 2015 with the participation of all three Subcommittees. The second will take place in October 2015.

The letter of Chairmanship will include a list of concrete actions which need to be taken by each CEFTA Party with specific deadlines for feedback which is to be reported to the Subcommittee. In particular, the letter will request national level coordination in the following:

- Scope, and legal conditions and administrative formalities for simplifications which operators may benefit in pre-clearance by technical agencies at the border, clearance and post-clearance by the customs.
- Scope, and legal conditions and administrative formalities which (pre-arrival) data are to be exchanged electronically bi-laterally between customs authorities, and nationally between technical agencies and customs authorities which can then be partially or fully be exchanged bi-laterally with a view to ensuring simplifications in clearance, and strengthening deterrence of security and safety controls done of border agencies
- Scope and content of regional electronic databases which customs authorities may benefit
- Scope, and legal conditions and administrative formalities which the CEFTA Parties may recognise their trade partnership programmes (AEO) mutually at the regional level.

 Scope and content of a list of inspections which other technical agencies undertake in line with their mandate which can be recognised by the Customs Authorities in validation of AEOs at the national level.

The Chairmanship of Montenegro is committed to undertake an active follow-up of the letter to be sent, and will be ready to contact the high management of TBT Authorities in each CEFTA Party to facilitate the process, if necessary.

## Activity 2: Technical Assistance on electronic exchange of data to support CEFTA Parties in their negotiation process of signing a Framework Agreement

In the framework of negotiations, there will be a number of consultants to be contracted by the CEFTA Secretariat to provide technical assistance to CEFTA Parties during the negotiation process. In particular, the EU financed SEED Project Team is contracted to assist the CEFTA Parties in elaborating their positions on electronic exchange of data.

Technical assistance regarding IT specific issues on electronic exchange of data, and regional databases is to be provided to the CEFTA Parties Customs authorities and technical agencies including SPS and TBT in order to support their national preparations for the negotiations. In this regard, there will be a kick-off meeting in Podgorica on 3 February 2015. The Chairmanship of Montenegro will invite three representatives per CEFTA Party to represent their customs, TBT, and SPS Authorities to give a start to the preparations of scope, types and formalities of data exchange and electronic databases.

#### Activity 3: CEFTA Regional Conferences on Simplified Procedures, Data Exchange, and AEOs.

The Chairmanship of Montenegro will organize two Regional Conferences to present the global conventions on simplified procedures, data exchange, and AEOs such as SAFE, and the revised Kyoto Protocol which the majority of CEFTA Parties are signatories. Those Conventions will be the main backbone of the framework agreement. The objective of these conferences will be to assist CEFTA Parties to develop their national negotiation positions before the negotiation rounds in May and October. The Conferences will take place in April and September 2015.

#### Activity 4: Negotiations of Framework Agreement

The Montenegrin Chairmanship considers Subcommittee and Working Group meetings as the main platform to hold negotiations between Customs Authorities regarding simplifications, data exchange, and regional databases.

The Chairmanship will therefore pay utmost attention that each CEFTA Party is to elaborate its national negotiation position before the Subcommittee and Working Group meetings which are planned to be held in May and October 2015. It is planned that Subcommittee on Customs and Rules of Origin, and its Working Groups will have two meetings prior to the joint session of three Subcommittees in May and October 2015, which will serve as the negotiation rounds.

### <u>Priority 2: Addressing the main trade distortive non-tariff measures in selected supply chains and</u> <u>Enhancing Transparency</u>

### <u>Activity 4: Contribution to the Project on "Addressing main trade distortive non-tariff measures in</u> <u>selected supply chains</u>

In this regard, the Chairmanship of Montenegro will contribute to the discussions and activities to take place in the framework of the GIZ financed project "Addressing Market Access Barriers in Selected Supply Chains". In particular, the administrative barriers indentified by the Project will be discussed in the Subcommittee meetings.

#### Activity 5: Enhancing Transparency

The Chairmanship of Montenegro will do its best efforts to encourage CEFTA Parties to keep the CEFTA Transparency Pact, in particular CEFTA Market Access Barriers Database updated.

#### **Objective 2:** Strengthening Regional Cooperation in Rules of Origin

## Priority 3: Modification of CEFTA Origin Protocol in a way to serve the economic interest of the CEFTA Region

#### Activity 6: Organising Two Training Meetings on Diagonal Cumulation

The Chairmanship of Montenegro will organise two technical training meetings on diagonal cumulation. The first meeting will target public authorities. The participants will not only be from the Customs Authorities but also from Ministries for Economy, Trade, and Agriculture. The second training will target private sector representatives of CEFTA Parties. In these two meetings, the results of GIZ Project on Diagonal Cumulation are to be discussed and the recommendations for modifications of CEFTA Origin Protocol are to be presented.

<u>Priority 4: Elaborating Regional Positions to propose the modifications in PEM Convention to serve</u> the economic interest of the CEFTA Region

#### Activity 7: Drafting CEFTA Position Papers for the PEM Convention revision process

The Chairmanship of Montenegro will draft the position papers which are to be presented as a joint regional position paper during the PEM Working Group. The draft paper will consolidate the agreed recommendations during the training meetings on diagonal cumulation.

<u>Priority 5: To coordinate with the Subcommittee on Agriculture and SPS, and Subcommittee on TBT</u> and NTBs in order to outreach the manufacturers of processed agricultural products, and textile and clothing for explaining offensive and defensives aspects of the PEM Convention

<u>Activity 8: Contributing to Organisation of</u> <u>CEFTA Conferences on Promoting Trade through PEM</u> <u>Convention in PAPs and Textile and Clothing:</u>

The Chairmanship of Montenegro will help Subcommittees on Agriculture and SPS, and TBT and NTBs who will organize CEFTA Conferences to introduce all the opportunities offered by the PEM

Convention and diagonal cumuluation thereunder for the purpose of promote trade in PAPs and textile and clothing manufacturing.

## 5. EXPECTED RESULTS

The results of the Montenegrin Chairmanship are expected to lead to the following outcomes corresponding to the two objectives mentioned above:

### 1) <u>Trade Facilitation</u>

- CEFTA Contact Points in each Customs Administrative are appointed
- Text of Framework Agreement is agreed by the CEFTA Parties and ready for signing
- Exploratory Discussions initiated to prepare a list of TBT and SPS related inspections which would be part of the AEO verification inspections by Customs Authorities
- Main Trade Distortive Market Access Barriers related to administrative barriers are indentified and analysed
- CEFTA Transparency Pack, in particular CEFTA Market Access Barriers Database related to administrative barriers is kept updated
- 2) <u>Strengthening Regional Cooperation in Rules of Origin</u>
- Recommendations for revision of CEFTA Origin Protocol are elaborated
- CEFTA Positions are presented jointly during the PEM Working Group
- Economic operators in PAPs and Textile and Clothing Manufacturing in CEFTA Parties are fully aware of the PEM Convention, and opportunities which the PEM Convention may offer in trade

## 6. RISKS AND ASSUMPTIONS

The Chair foresees that the following issues are out of its control but assumes that any negative development thereon which may endanger the smooth functioning of the Agreement will be prevented by the joint effort of each CEFTA Party.

- Each CEFTA Party remains committed to the CEFTA process and its provisions.
- Coordination meetings between Customs Authorities and Technical Agencies including SPS and other technical authorities at the pre-clearance stages are held on time in each CEFTA Party
- Governmental agencies whose contribution is necessary to the work of the Subcommittee will have the sufficient level of resources (human resources and time) available for the Subcommittee.
- International donors remain committed to support financially the CEFTA.

## 7. CALENDAR OF EVENTS

The tentative calendar for the year 2015 is as follows:

MEETING/EVENT	DATE	PLACE
Kick-off meeting of Technical Assistance to CEFTA Structures on Negotiations of Framework Agreement in Customs	3 February 2015	Podgorica
Training of Public Administrations on Cumulation of Origin	2 <sup>nd</sup> Week of March	Podgorica
Training of Private Sector on Cumulation of Origin	3 <sup>rd</sup> Week of March	Belgrade
Regional Conference on Global Conventions for Simplification of Border Procedures, Data Exchange and AEO	4 <sup>th</sup> Week of April	Podgorica
Meetings of Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and TBT and NTBs	26 May 2015	Podgorica
1 <sup>st</sup> Round of Negotiations of Framework Agreement	27 May 2015	Podgorica
Promotion of Trade Conferences on PAPs and Textile	3 <sup>rd</sup> Week September	Podgorica /Belgrade
Regional Conference on Global Conventions for Simplification of Border Procedures, Data Exchange and AEO	28-29 th September	Belgrade
Meetings of Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and TBT and NTBs	22 or 29 October2015	Podgorica
2nd Round of Negotiations of Framework Agreement	23 or 30 October 2015	Podgorica
CEFTA-GIZ meetings on "Addressing Main Trade Distortive Market Access Barriers in Selected Supply Chains"	To be determined later	CEFTA Parties



### ANNEX 1: Logical Framework Matrix

LOG FRAME PLANNING MATRIX FOR PRIORITIES OF THE SUBCOMMITTEE ON Agriculture and SPS		Period: 2015	
Overall objective	Indicators of Achievement	Sources of verification	
-	Border procedures are simplified, Data are exchanged electronically	CEFTA Ministerial Conclusions	
participation of customs authorities of all CEFTA Parties but also of all the	CEFTA AEO Programme is established Main Trade Distortive Market Access Barriers are eliminated.	CEFTA Statistics	
relevant technical agencies involved in clearance at the border, and to have the text of Framework Agreement ready for		Report of CEFTA Subcommittee on Customs and Rules of Origin	
signing by the CEFTA Parties by the end of 2015.	CEFTA Origin Protocol is revised in a way to better serve economic interest of CEFTA Parties	WB Doing Business	
To strengthen the level of regional coordination in the field of rules of		EU Regular Reports	
origin with an aim to sustain the proper implementation of the CEFTA Origin Protocol, and respond to any upcoming		CEFTA Trade Statistics	
need for its modification;			
Priorities	Indicators of Achievement	Sources of Verification	Assumptions
	<ul> <li>Text of Framework Agreement is agreed by the CEFTA Parties</li> </ul>	CEFTA Ministerial Conclusions	Each CEFTA Party remains committed to the CEFTA process
Priority 1: Steering the whole negotiation framework through CEFTA Subcommittees (Customs and RoO, TBT and NTBs, and Agriculture and SPS) and Working Groups thereof	- Exploratory Discussions initiated to prepare a list of TBT related inspections which would be part of the	CEFTA Statistics	and its provisions. Coordination meetings between
to reach a jointly agreed text of Framework Agreement	AEO verification inspections by Customs Authorities - Main Trade Distortive Market Access Barriers in	Report of CEFTA Subcommittee on Customs and Rules of Origin	Customs Authorities and Technical Agencies including SPS and other technical authorities at the pre-
	administrative barriers are identified <ul> <li>CEFTA Transparency Pact, in particular CEFTA Market</li> </ul>		clearance stages are held on time in each CEFTA Party
Priority 2: Addressing the main trade distortive non-tariff measures in selected supply chains and Enhancing	<ul> <li>Access Barriers Database is kept updated</li> <li>CEFTA Joint Position for the PEM Working Group is</li> </ul>		Governmental agencies whose contribution is necessary to the
Transparency	<ul> <li>developed</li> <li>Economic operators in Processed Agricultural</li> </ul>		work of the Subcommittee will have the sufficient level of
Priority 3: Modification of CEFTA Origin Protocol in a way to	Products and Textile and Clothing manufacturers of		resources (human resources and

serve the economic interest of the CEFTA Region	CEFTA Parties become fully aware of the PEM Convention, and opportunities which the PEM		time) available for the Subcommittee.
Priority 4: Elaborating Regional Positions to propose the modifications in PEM Convention to serve the economic	Convention may offer in trade		International donors remain
interest of the CEFTA Region			committed to support financially the CEFTA
Priority 5: To coordinate with the Subcommittee on			
Agriculture and SPS, and Subcommittee on TBT and NTBs in			
order to outreach the manufacturers of processed			
agricultural products, and textile and clothing for explaining			
offensive and defensives aspects of the PEM Convention.	Desette		A
Activities	Results	Means	Assumptions
Activity 1. Appointing CEFTA Contact Points in each Customs Administration Activity 2: Technical Assistance on electronic exchange of data to support CEFTA Parties in their negotiation process of signing a Framework Agreement Activity 3: CEFTA Regional Conferences on Simplified Procedures, Data Exchange, and AEOs.	<ul> <li>CEFTA Contact Points are appointed in each Customs Administration of CEFTA Parties at the Deputy DG level</li> <li>A letter by the Chairmanship of Montenegro is sent to Customs Authorities of each CEFTA Party to initiate national coordination</li> <li>Kick-off meeting of TA on electronic exchange of data with the participation of Customs, TBT and SPS Authorities</li> <li>National coordination meetings are held between Customs and SPS/ TBT Authorities, with the participation of consultants hired by CEFTA</li> </ul>	<ul> <li>CEFTA Project Facility</li> <li>GIZ financed project on Addressing Market Access Barriers</li> <li>Consultants hired by the CEFTA Secretariat</li> <li>Experts appointed by UNCTAD and ITC</li> </ul>	Each CEFTA Party remains committed to the CEFTA process and its provisions. Coordination meetings between Customs Authorities and Technical Agencies including SPS and other technical authorities at the pre- clearance stages are held on time in each CEFTA Party Governmental agencies whose contribution is necessary to the work of the Subcommittee will have the sufficient level of
Activity 4: Contribution to the Project on "Addressing main trade distortive non- tariff measures in selected supply chains Activity 5: Enhancing Transparency Activity 6: Organising Two Training Meetings on Diagonal Cumulation Activity 7: Drafting CEFTA Position Papers for the PEM Convention revision process	<ul> <li>Structures, if necessary</li> <li>Regional Conferences on Simplified Procedures, Data Exchange and AEOs are organised</li> <li>Relevant national negotiation positions are elaborated on time</li> <li>GIZ Project meetings are held on time</li> <li>Participation to the GIZ project meetings and Representing CEFTA Subcommittee therein</li> <li>All CEFTA Databases are kept updated</li> <li>Training Meetings on diagonal cumulation are organised</li> <li>Regional Positions for PEM Working Group are drafted</li> </ul>	<ul> <li>TAIEX Seminars and Workshops</li> <li>EU and other donors financial assistance</li> </ul>	nave the sufficient level of resources (human resources and time) available for the Subcommittee. International donors remain committed to support financially the CEFTA

Activity 8: Contributing to Organisation	- CEFTA Conference on PAPs and T&C are held with the	
of CEFTA Conferences on Promoting	participation of private sector	
Trade through PEM Convention in PAPs		
and Textile and Clothing:		