

**DECISION OF THE JOINT COMMITTEE OF THE CENTRAL EUROPEAN FREE
TRADE AGREEMENT**

No. 1 /2012

Establishment of the Working Group on Customs Risk Management

Adopted on 08 November 2012

The Joint Committee,

Having regard to the Agreement on Amendment of and Accession to the Central European Free Trade Agreement, CEFTA 2006, (hereinafter the "Agreement") done in Bucharest on 19 December 2006.

Hereby establishes, pursuant to Article 41.5 to the Agreement, the following Working Group:

- Working Group on Customs Risk Management

The Terms of Reference of the Working Group on Customs Risk Management is attached to this Decision as Annex 1 and shall form an integral part of it.

This decision shall take effect on the date of its adoption.

Adopted in Tirana on 08 November 2012 in the presence of representatives of:

Republic of Albania

Bosnia and Herzegovina

Republic of Croatia

Republic of Macedonia

Republic of Moldova

Montenegro

Republic of Serbia

The United Nations Interim Administration Mission in Kosovo on behalf of Kosovo in accordance with the United Nations Security Council Resolution 1244.

Annex 1 to the Decision No. 1/2012

Terms of Reference for the Working Group on Customs Risk Management

1. TASK

The task of the Working Group on Customs Risk Management (hereinafter referred to as: "Working Group") is to develop and broaden cooperation among CEFTA Parties, according to Article 14 of the CEFTA Agreement, particularly with a view to propose the possibilities of taking joint actions related to the customs risk management at the regional level, as far as possible, aiming at facilitating the regional trade while improving the overall quality and deterrence of customs, security and safety controls and inspections.

2. MEMBERSHIP

- 2.1.** Members of the Working Group are government officials in charge of customs risk management of the Customs Authorities of the CEFTA Parties.
- 2.2.** The representative from each Party shall actively participate in performing the tasks and functions of this Working Group.
- 2.3.** Experts from other public authorities of the CEFTA Parties or from other countries or international organisations may be invited to attend the meetings at the request of the Chair of the Working Group to provide advice or introduce the best practice where needed. They have no rights in decision making and can be asked to leave the meeting at any time by the Chair.
- 2.4.** Recommendations for future actions will be made by consensus of all Working Group members. If the member is absent from the Working Group meeting, he/she shall communicate its position in writing within the period not longer than 20 working days from the date of the receipt of a request. If position is not communicated within the above mentioned period, it shall be deemed no objection has the member concerned.
- 2.5.** The member of the Working Group will cease to be a member:
 - If he/she fails to attend 2 consecutive meetings without securing appropriate replacement,
 - upon the request of the Party on behalf of which he/she attends

In cases referred to above, the CEFTA Party concerned shall nominate new member within one month and notify the Chair.

3. CHAIRMANSHIP

The Party chairing of the Subcommittee on Customs and Rules of Origin shall chair the Working Group.

The responsibilities of Chair include:

- Scheduling meetings and notifying the members
- Inviting guest experts to attend the meetings when required by members
- Guiding the meetings and other activities during chairing
- Ensuring all discussion items end with a decision, action or definite outcome

4. MINUTES TAKING

Person appointed by the Chair and representative of the CEFTA Secretariat take notes and prepare draft minutes of the Working Group meetings.

5. MEETINGS

The Working Group shall meet as necessary but at least once per year, preferably before the meeting of Subcommittee on Customs and Rules of Origin.

6. FUNCTION

The specific functions of the Working Group are:

(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 cross-border 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,

7. ACCOUNTABILITY AND REPORTING

The agreed minutes of the working meetings will be submitted to the Chair of the Subcommittee on Customs and Rules of Origin and are to be integrated into the meetings of the Subcommittee.

The Chair of the Working Group will report on discussion and outcomes in the plenary session of the regular session of the Subcommittee.

The Working Group will prepare the annual report on cooperation in the field of customs risk management, and potentials for creating joint risk profile and profiles identified on which taking joint actions are deemed appropriate, based on inputs from the CEFTA Parties. This Report will be submitted to the Subcommittee on Customs and Rules of Origin and will be an integral part of the Annual Report of the Subcommittee on Customs and Rules of Origin, which is to be presented at the Joint Committee meeting.