

**DECISION OF THE JOINT COMMITTEE
OF
THE CENTRAL EUROPEAN FREE TRADE AGREEMENT,
CEFTA 2006**

Decision No 1/2015

on the Establishment of CEFTA Bodies

Adopted on 26 November 2015

The Joint Committee,

Having regard to the Agreement on Amendment of and Accession to the Central European Free Trade Agreement, done in Bucharest on 19 December 2006, CEFTA 2006, and Decision no 2/2007 regarding the establishment of Sub-Committees,

With the objective to adjust the relevant CEFTA structures to respond to new priorities related to the implementation of CEFTA 2006,

Having regard to Article 41.5 to the CEFTA 2006 which empowers the Joint Committee to set appropriate organs such as working groups , task forces, subcommittees and other bodies it consider necessary to assist it in accomplishing its tasks.

HAS DECIDED AS FOLLOWS:

Article 1

1. The following bodies are established to assist the Joint Committee:

- Committee of Trade Facilitation
- Committee of Contact Points
- Sub-committee on Non-Tariff Measures and its working groups as below:
 - Working Group on Technical Measures
 - Working Group on Risk Management
 - Working Group on Electronic Exchange of Information

- Sub-committee on Agriculture including Sanitary and Phytosanitary Issues
- Sub-committee on Customs and Rules of Origin

2. In addition to the CEFTA bodies listed above the following bodies will continue their work in accordance with their relevant Ministerial Decisions which have been adopted previously:

- Sub-committee on Trade in Services and its working groups as below:
 - Negotiating Group on Trade in Services
 - Working Group on Trade in Services Statistics, FATS and FDI Statistics
 - Joint Working Group on Mutual Recognition of Professional Qualifications

3. The committees, sub-committees, and working groups shall follow the same scope, terms of activity and other necessary requirements as set out in Article 13 of the Rules of Procedure for the Joint Committee.

i). The above-mentioned committees, sub-committees, and working groups shall work in accordance to the respective individual terms of reference agreed by the Joint Committee.

ii). The Chair of each committee, sub-committee, and working group shall rotate on a yearly basis in accordance with the alphabetical order of the Parties' names in English.

iii). The Party currently acting as Chair in Office shall chair Committee of Trade Facilitation, Committee of Contact Points, Subcommittee on Non-tariff measures, and Subcommittee on Trade in Services.

iv). The Chair of the Sub-committee on Customs and Rules of Origin shall be a representative of the first Party in alphabetical order after the Chair in Office.

v). The Chair of the Sub-committee on Agriculture shall be a representative of the second Party in alphabetical order after the Chair in Office.

vi). Meetings of each committee, sub-committee, and working group shall take place either in the Party holding the Chair of the respective committee, sub-committee, and working group or in any other place where the relevant Chair agrees with.

Article 2

The enclosed terms of references of the CEFTA bodies established as per Article 1 paragraph 1 forms an integral part of this decision.

Article 3

As of the date of enforcement of this Decision, the following Decisions of the Joint Committee of the Central European Free Trade Agreement, CEFTA 2006, shall cease to be in force:

- Decision No 2/2007 on the Establishment of CEFTA Subcommittees;
- Decision No.7/2014 on the Establishment of the Committee of Trade Facilitation;
- Decision No 5/2007, Terms of Reference for the Sub-Committee on Technical Barriers to Trade and Non-Tariff Barriers;
- Decision No.3/2007, Terms of Reference for the Sub-Committee on Agriculture including Sanitary and Phytosanitary Issues;
- Decision No 4/2007 Terms of Reference for the Sub-Committee on Customs and Rules of Origin;
- Decision No.4/2010, Establishment of the Working Groups;
- Decision No.1/2012, Establishment of the Working Group on Customs Risk Management;
- Decision No.6/2014, Establishment of the Working Group on Electronic Exchange of Information.

Article 4

This decision enters into force on the date of its adoption.

Adopted in Chisinau on 26 November 2015 in the presence of representatives of all CEFTA Parties.

Annex 1

Terms of Reference for the Committee of Trade Facilitation

1. TITLE

The title of the Committee will be "CEFTA Committee of Trade Facilitation".

2. TASK

2.1. The task of the Committee of Trade Facilitation (hereinafter referred to as: "Committee") is to develop and broaden cooperation among CEFTA Parties, according to Article 14 of the CEFTA Agreement, particularly to address the issues which are related to facilitation the regional trade in CEFTA with a view to reduce costs caused by the inefficient all types of clearance procedures, while balancing trade facilitation with the increasing requirements for safety and security measures in the international and regional supply chain;

2.2. For the purpose of these Terms of reference, trade facilitation is defined as the simplification and standardisation of procedures and associated information flows required to move goods across borders from seller to buyer and to pass payment in the other direction. Trade facilitation requires cooperation between public and private sectors to ensure that formalities, procedures, documents and operations of the regional trade transactions become easier, faster and more economical.

3. MEMBERSHIP

3.1. Members of the Committee of Trade Facilitation are high level officials responsible from ministries responsible for trade, who are in charge of CEFTA Agreement, and Chairs of CEFTA Subcommittees on Agriculture and SPS, Non-Tariff Measures, Customs and Rules of Origin.

3.2. The representative from each Party shall actively participate in performing the tasks and functions of this Committee.

3.3. 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 Committee 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.

3.4. In the issues required specific technical knowledge, in particular for the implementation of WTO Trade Facilitation Agreement, the Committee may decide to benefit from technical consultancy which can be contracted by the CEFTA Secretariat. Consultants hired by the CEFTA Secretariat may attend the meetings upon the instructions of the Chair to provide their advice where needed.

3.5. The Committee will make recommendations by consensus of all members. If a member is absent from the meeting he/she should communicate its position in writing within the period of not longer than 20 working days from the date of a receipt of a request. If position is not communicated within the set period, it shall be deemed that the member concerned has no objection and agrees to proceed further.

- 3.6.** The member of the Committee will cease to be a member if:
- He/she resigns from employment in the government;
 - He/she fails to attend 3 consecutive meetings without providing apologies to the Chair and securing an appropriate replacement,
 - On their own request.

4. CHAIRMANSHIP

4.1. The Party currently acting as Chair in Office shall chair Committee of Trade Facilitation.

- 4.2.** 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.

5. MINUTES TAKING

Representative of the CEFTA Secretariat will take notes and draft minutes of the meetings of the Committee of Trade Facilitation within 10 working days from the day of the meeting. Recipients of the meeting minutes/conclusions will have 5 working days to submit comments; if no comments are submitted, the minutes will be considered final.

6. MEETINGS

The Committee shall meet as necessary but at least once per year, preferably back-to-back and prior to the Deputy Ministers meeting.

7. FUNCTION

7.1. The specific functions of the Committee are:

- i). Cooperation in the field of trade facilitation
 - To exchange information on the existing or any amendment adopted in the national legislation, regulations and rules affecting all kinds of clearance procedures and movement of goods in the CEFTA region;
 - To share best practices in facilitating trade, particularly with regard to the alignment with the EU acquis, and implementation of WTO Trade Facilitation Agreement;
 - To discuss the implementation of regional projects in the field of trade facilitation, 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 creating regional legislative instruments in the framework of CEFTA with an aim to simplify and standardise the implementation of the rules and procedures applied in trade.
 - To discuss legal, and procedural possibilities in the framework of CEFTA Agreement in order to address all types of barriers to trade in all stages of clearance (pre-clearance, clearance, and post clearance,

and undermining facilitation of legitimate trade without hampering the deterrence of risk based security and safety controls,

- To coordinate the priorities of CEFTA Subcommittees which are related to addressing all types of barriers to trade, and issues undermining facilitation of the regional trade,
- To propose the CEFTA Joint Committee the most appropriate legal instruments at the regional level in CEFTA to eliminate those barriers to trade and to facilitate trade in consideration of actions undertaken by the relevant CEFTA Subcommittees

8. ACCOUNTABILITY AND REPORTING

8.1. The agreed minutes of the Committee meetings will be submitted to the CEFTA Joint Committee and are to be integrated into the Ministerial Conclusions as appropriate.

8.2. The Chair of the Committee will report on discussion and outcomes to the Joint Committee.

Annex 2

Terms of Reference of the CEFTA Committee of Contact Points

1. TITLE

The title of the Committee will be "CEFTA Committee of Contact Points".

2. TASK

The task of the CEFTA Committee of Contact Point is to support the smooth functioning of the Agreement and the fulfilment of the decisions conclusions and recommendations of the Joint Committee both within the Contracting Party concerned and with all CEFTA stakeholders.

3. MEMBERSHIP

3.1. Members of the Committee are the lead CEFTA Contact Points or their deputies as established under Article 44, Paragraph 2 of the Agreement. The CEFTA Contact Points shall perform the functions as defined in 7.3., which provides tasks of each Contact Point to be carried out at the national level in each CEFTA Party.

3.2. The CEFTA Contact Point, who are members of the Committee will be based in the appropriate department within the ministry responsible for trade in the CEFTA Party. Given the scale and scope of the tasks to be undertaken, a senior official acts as the lead CEFTA Contact Point with overall responsibility for ensuring that the tasks are carried out in an effective and efficient manner. The lead CEFTA Contact Point coordinates with the CEFTA Contact Point officially appointed (e.g. Customs, Ministry of Agriculture Contact Points) and is supported as necessary by other official(s) in the ministry.

3.3. The representative from each Party shall actively participate in performing the tasks and functions of this Committee.

3.4. 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 Committee 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.

3.5. The Committee will make recommendations by consensus of all members. If a member is absent from the meeting he/she should communicate its position in writing within the period of not longer than 20 working days from the date of a receipt of a request. If position is not communicated within the set period, it shall be deemed that the member concerned has no objection and agrees to proceed further.

3.6. The member of the Committee will cease to be a member if:

- He/she resigns from employment in the government;
- He/she fails to attend 3 consecutive meetings without providing apologies to the Chair and securing an appropriate replacement,
- On their own request.

4. CHAIRMANSHIP

4.1. The Party currently acting as Chair in Office shall chair Committee of Contact Points.

4.2. 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.

5. MINUTES TAKING

Representative of the CEFTA Secretariat will take notes and draft minutes of the meetings of the Committee of Contact Points within 10 working days from the day of the meeting. Recipients of the meeting minutes/conclusions will have 5 working days to submit comments; if no comments are submitted, the minutes will be considered final.

6. MEETINGS

The Committee shall meet as necessary but at least once per year, preferably back-to-back and prior to the Deputy Ministers meeting.

7. FUNCTION

7.1. The function of the Committee is to support the smooth functioning of the Agreement and the fulfilment of the decisions of the Joint Committee, according to Article 44 of the CEFTA Agreement, particularly:

- To report to the CEFTA Joint Committee the implementation of CEFTA Ministerial Decisions, Conclusions and Recommendations;
- To coordinate / liaise the implementation of CEFTA in each CEFTA Party through other officially appointed CEFTA Contact points established by the CEFTA Structures (e.g. Customs, Ministry of Agriculture);
- To steer capacity building in trade policy formulation, implementation and coordination in CEFTA at the regional scale;
- To outreach the private sector in relation to CEFTA;
- To be responsible in promoting the visibility of CEFTA in the overall policy making in each CEFTA Party;
- To report the CEFTA Joint Committee the implementation of SEE 2020 Integrated Growth in each CEFTA Party;
- To coordinate the implementation of the National Secondment Programme.

7.2. The Contact Point who is member of CEFTA Committee of Contact Points undertakes the necessary technical, coordination, communication and administrative tasks required to ensure the smooth and timely implementation of the CEFTA work programme and the decisions of the Joint Committee.

7.3. In performing the tasks above mentioned each Contact Point will perform the following specific tasks at the national level in each CEFTA Party:

7.3.1. Preparation and Follow-up of Official Meetings of CEFTA Structures at the National Level in Each CEFTA Party

i). The Contact Point oversees the participation of the CEFTA Party in all meetings of CEFTA structures and any follow-up required thereafter. Their duties include:

- Preparation and/or coordination of any requested input to meeting papers or presentations for meetings on behalf of her/his CEFTA Party;
- Coordination and formal submission of the comments on behalf of his/her CEFTA Party comments/approval of official minutes and/or meeting reports;
- Representation of the CEFTA Party at formal preparatory meetings for the Joint Committee and Deputy Ministers meetings;
- Organisation of preparatory meeting and post meeting briefing with delegates;
- Coordination of nomination and appointment of the members of the CEFTA working bodies as well as of selection of CEFTA Party delegation for all meetings and submission of details to the CEFTA Secretariat in accordance with CEFTA procedures;
- Circulation of meeting invitations, agendas and all background papers to the appropriate officials.

7.3.2. Central Coordination of Official CEFTA Information Flows

i). The Contact Point acts as the central coordinator of all official CEFTA information flows including correspondence, meeting and information requests, reports and proposals relating to CEFTA. These information flows may come from official CEFTA Structures, other CEFTA parties, line ministries, government agencies, Parties' diplomatic missions to the EU, European Commission, development partners (e.g. IFIs), the business community and civil society. Duties include:

- Coordinating preparation of the formal position of the CEFTA Party in relation to such proposals/activities and submitting information/comments etc. in a timely manner;
- Gathering inputs (comments, proposals, legal opinion, data etc.) as required by CEFTA structures for decisions, position papers and formal requests for technical assistance;
- Representing the CEFTA Party at CEFTA related meetings where appropriate e.g. selected SEE 2020 meetings;
- Formal acknowledgement of all correspondence received including requests for information;
- Transmission of correspondence to the appropriate officials and follow-up regarding timely submission of a formal response to the relevant body;

- Wide circulation of official CEFTA papers (Joint Committee Decisions, meeting reports, technical reports etc.) throughout the administration.

7.3.3. Monitoring of Implementation of CEFTA Ministerial Conclusions and Decisions

i). The CEFTA Contact Point is responsible for monitoring the implementation of Ministerial Conclusions, Decisions and Recommendations of the Joint Committee in the CEFTA Party. This task is carried out in conjunction with the other formally appointed CEFTA Contact Points established by the CEFTA Structures. The leaders of the CEFTA Contact Point participates in the CEFTA Contact Points Committee that addresses the issue of implementation as part of the preparations for the meetings of various CEFTA Structures. In relation to the implementation of CEFTA decisions on trade facilitation and market access, CEFTA Contact Points will liaise with those members of the Committee of Trade Facilitation representing their Party.

7.3.4. Liaison with CEFTA Secretariat

i). The Contact Point is the sole day-to-day interlocutor for the CEFTA Secretariat in each CEFTA Party. Duties include:

- Establishment and maintenance of communication with staff of the CEFTA Secretariat;
- Timely response to Secretariat requests regarding the organisation of meetings, inputs for technical papers, proposals and information portals etc.;
- Work on ensuring representation of CEFTA Party at management and coordination meetings organised by the CEFTA Secretariat (in many cases this representation function will be performed by the Contact Point);
- Ensure the provision of data, information etc. for the CEFTA website;
- Organisation, in cooperation with the Secretariat, of any meetings of CEFTA structures that take place in the CEFTA Party;
- Liaison with Secretariat regarding the development of technical assistance and capacity building assignments under the CEFTA Projects Facility and the CEFTA Open Fund;
- Coordinate with the CEFTA Secretariat regarding the process of selection, appointment and assignment of secondees to the Secretariat under the programme of National Seconded Experts;

- Overall coordination of delivery of CEFTA funded technical assistance and/or capacity building programmes in the CEFTA Party.

7.3.5. Development of Trade Related Capacity Across Administration

i). The CEFTA Contact Point facilitates the development of trade related capacity across the administration in the CEFTA Party through the identification of key capacities required and the development of long and short-term capacity building programmes. This function is carried out in cooperation with:

- the department responsible for human resource development at the ministry responsible for trade;
- the national institute/agency responsible for training of civil servants and public officials; and
- relevant regional and international organisations such as ReSPA (the Regional School of Public and Administration) and the European Institute of Public Administration.

7.3.6. Promotion of CEFTA among Key Stakeholders

i). The Contact Points play a very important role in ensuring greater knowledge and understanding of CEFTA and its potential to boost socio-economic growth in the Party. This is realised by promoting CEFTA, its achievements and opportunities and other trade related issues across the administration and to the wider community. Key stakeholders include:

- Prime Minister's Office,
- Ministry of Foreign Affairs, Ministry of Finance, NIPACs,
- Line ministries,
- National agencies,
- Local representatives of the EU, IFIs and development partners,
- Representatives of the business community,
- Civil society

7.3.7. Contact Points can deploy a range of communication tools to promote CEFTA and other trade related issues to a wider audience including seminars, workshops, press releases, social media and an up-to-date CEFTA page on the ministry of trade website with relevant information and links to the main CEFTA website and other trade related sites.

7.3.8. The CEFTA Contact Point report to the Director General /

Deputy Minister of the ministry responsible for trade and has an ad hoc reporting relationship with the Minister as required.

8. ACCOUNTABILITY AND REPORTING

8.1. The agreed minutes of the Committee meetings will be submitted to the CEFTA Joint Committee and are to be integrated into the Ministerial Conclusions as appropriate.

8.2. The Chair of the Committee will report on discussion and outcomes to the Joint Committee.

Annex 3

Terms of reference of the Sub-Committee on Non-Tariff Measures

1. TITLE

The title of the Sub-Committee will be "CEFTA Sub-Committee on Non-Tariff Measures".

2. TASK

The task of the Sub-committee is to identify non-tariff measures, defined as policy measures other than ordinary customs tariffs that can potentially have an economic effect on international trade in goods, changing quantities traded, or prices or both and classified as technical measures, non-technical measures, and exports related measures, review those indentified non-tariff measures, and propose measures for elimination of non-tariff measures which constitute non-tariff barriers to trade among the Parties.

3. MEMBERSHIP

3.1. Members of the Sub-committee will be senior civil servants responsible for dealing with these issues in respective administrations in particular the Ministries for Trade, the authorities responsible for technical regulations and standards, market surveillance, conformity assessment, sanitary and phytosanitary measures, and customs.

3.2. The composition of delegation will be decided according to the agenda items of each meeting of Subcommittee. Each delegation of CEFTA Party in the Subcommittee meetings will be led by the Ministries for Trade in charge of identifying and eliminating non-tariff barriers;

3.3. The Sub-Committee will make recommendations by consensus of all members. If a member is absent from the meeting he/she should communicate its position in writing within the period of not longer than 20 working days from the date of a receipt of a request. If position is not communicated within the set period, it shall be deemed that the member concerned has no objection and agrees to proceed further.

- 3.4.** The member of the Sub-Committee will cease to be a member if:
- He/she resigns from employment in the government;
 - He/she fails to attend 3 consecutive meetings without providing apologies to the Chair and securing an appropriate replacement,
 - On their own request.

4. CHAIRMANSHIP

4.1. The Party currently acting as Chair in Office shall chair Subcommittee on Non-tariff measures.

4.2. The Chair of the Subcommittees on Agriculture and SPS, and the Customs and Rules of Origin will participate in the meetings of the Subcommittee on Non-tariff Measures.

4.3. The Chair of the Subcommittee on Non-Tariff Measures will participate in the meetings of the Committee of Trade Facilitation.

4.4. The Chair of the Subcommittee on Non-Tariff Measures may decide to invite the experts of other international organizations to share their experts opinions on the specific cases upon the agreement of the Parties involved in these cases.

5. MINUTES TAKING

Representative of the CEFTA Secretariat will take notes and draft minutes of the meetings of the Sub-Committee on Non-Tariff Measures within 10 working days from the day of the meeting. Recipients of the meeting minutes/conclusions will have 5 working days to submit comments; if no comments are submitted, the minutes will be considered final.

6. MEETINGS

The Sub-committee shall meet as necessary but at least once per year and shall report to the Joint Committee.

7. FUNCTION

7.1. The specific functions of the Sub-committee on Non-Tariff Measures are:

i). Exchange information on a regular basis through employing CEFTA Transparency Pack tools, in particular CEFTA Market Access Barriers Database, to identify and review complaints in each Party concerning NTMs and propose appropriate procedures to eliminate barriers to trade;

- identify and discuss common problems and make recommendations to deal with them,
- propose which NTBs to eliminate first and timetables for their elimination,
- report to the Committee of Trade Facilitation updating the elimination process,
- propose the CEFTA Joint Committee through Committee of Trade Facilitation possible measures and decisions which might be adopted at the regional level,
- exchange views on a systematic basis on appropriate domestic institutional arrangements to eliminate NTBs in each Party in order to ensure the adoption of best practices;

ii). Identify unnecessary technical barriers to trade, sanitary and phytosanitary measures, and administrative measures, hereafter referred to as technical measures, and recommend the elimination of in accordance with Article 12.2, 13.2, and Article 14.4. of CEFTA 2006;

iii). To monitor the elimination process at national level and to report the progress to the Committee of Trade Facilitation;

In this regard, the Subcommittee will:

- establish necessary grounds to initiate negotiations to conclude mutual recognition agreements of technical measures in CEFTA upon the condition that the relevant legislation and their implementation are fully in line with the relevant EU acquis and with the relevant WTO Agreements, and with other relevant international agreements as foreseen by Articles 12.2, and 13.4. of CEFTA 2006;
- identify and recommend the elimination of non-technical measures, and exports related measures provided that those measures are in contradiction with the relevant Articles of CEFTA 2006, and to monitor the elimination process at national level and to report the progress to

the Committee of Trade Facilitation;

iv). To act as the first instance CEFTA Structure to analyse bilateral trade complaints before Special Joint Committee is called according to Article 42 of CEFTA 2006;

v). To coordinate technical assistance to be provided to CEFTA Parties through regional programmes in the relevant areas under the mandate of the Subcommittee;

8. ACCOUNTABILITY AND REPORTING

8.1. The Sub-committee will communicate on a regular basis with Committee of Trade Facilitation and report the activities of Subcommittee.

8.2. Prepare and present a semi-annual report to CEFTA Joint Committee through the Committee of Trade Facilitation on identifying, reviewing and proposing measures for eliminating NTBs including all the areas referred above, based on the individual reports prepared by the Parties in accordance with a common structure/template.

Annex 4

Terms of Reference for the Working Group on Technical Measures

1. TITLE

The title of the group will be "CEFTA Working Group on Technical Measures".

2. TASK

The task of the Working Group is to provide working level forum to address exclusively non-tariff measures stemming technical measures in particular sanitary and phytosanitary measures, and technical barriers to trade, and discuss at the expert level the methods and tools to eliminate the discriminatory measures constituting non-tariff barriers to trade in line with Article 12.2. and Article 13.2., and Article 13.5. of CEFTA 2006, and to initiate exploratory talks to conclude mutual recognition agreements in the relevant areas of technical measures as foreseen by Article 12.3. and Article 13.4. of CEFTA 2006 conditional upon the full alignment with the relevant EU acquis, and implementation of the aligned legislation in line with the EU, and in line with WTO Agreements and other international agreements.

3. MEMBERSHIP

3.1. Members of the Working Group are government officials from the authorities in charge of technical measures including technical barriers to trade, and sanitary and phytosanitary measures.

3.2. The representatives for technical barriers to trade shall be able to cover the following areas depending on agenda of each meeting of the working group. Composition of delegation of each Party in each meeting may vary.

- technical regulations/conformity assessment,
- standardization,
- accreditation,

- metrology,
- market surveillance

3.3. Internal or external persons may be invited to attend the meetings at the request of the Chair of the Working Group to provide advice or introduce 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.

3.4. The Working Group will make recommendations by consensus of all members. If a member is absent from the meeting he/she should communicate its position in writing within the period of not longer than 20 working days from the date of a receipt of a request. If position is not communicated within the set period, it shall be deemed that the member concerned has no objection and agrees to proceed further.

3.5. The member of the group will cease to be a member if:

- He/she resigns from employment in the government;
- He/she fails to attend 3 consecutive meetings without providing apologies to the Chair and securing an appropriate replacement;
- On their own request.

4. CHAIRMANSHIP

4.1. The Chair will come from the CEFTA Party that currently chairs the CEFTA Subcommittee on Non-Tariff Measures, as the Working Group is established under the CEFTA Subcommittee on Non-Tariff Measures.

4.2. Their responsibilities include:

- Scheduling meetings and notifying the members;
- Inviting specialists to attend the meetings when required by members;
- Ensuring all discussion items end with a decision, action or definite outcome;
- Organizing and reviewing the adoption of the agreed minutes by the end of each meeting.

5. MINUTES TAKING

Representative of the CEFTA Secretariat will take notes and draft minutes of the meetings of the Working Group within 10 working days from the day of the meeting. Recipients of the meeting minutes/conclusions will have 5 working days to submit comments; if no comments are submitted, the minutes will be considered final.

6. MEETINGS

6.1. The meetings of the Working Group will be organized at least once a year, preferably before the regular meeting of the CEFTA Subcommittee on NTMs.

6.2. It may meet more frequently in independent meetings as circumstances require.

7. FUNCTION

7.1. The function of the Working Group is to identify and oversee the elimination of unnecessary technical measures or their discriminatory application in accordance with Article 12.2., Article 13.2 and 13.5 of the CEFTA 2006.

7.2. Furthermore, the Working Group will have exploratory talks

i). to initiate negotiations to conclude agreements on harmonisation or mutual recognition agreement of sanitary and phytosanitary measures in accordance with the relevant provisions of the WTO Agreement on the Application of Sanitary and Phytosanitary Measures and other relevant international agreement in accordance with Article 12.3. of CEFTA 2006;

ii). to initiate negotiations to conclude plurilateral agreements on harmonisation of technical regulations and standards, and the mutual recognition of conformity assessment procedures in accordance with the relevant provisions of the WTO Agreement on Technical Barriers to Trade and other relevant international agreements in accordance with CEFTA Article 13.4.

7.3. The Working Group will undertake necessary actions to enhance transparency on all kinds of documents, certificates, permits and formalities imposed on trade by technical agencies for the clearance of

goods, and exchange of information about change in those formalities, preferably through using CEFTA Transparency Pack tools.

7.4. Regarding the notification of technical regulation including any mandatory conformity assessment procedures or standard, and notification of SPS measures the Working Group will receive regular reports from notifications done by the CEFTA Parties through using CEFTA Transparency Pack in accordance with Article 12.2 and Article 13.3.b. of CEFTA 2006.

7.5. Other functions of the Working Group are as follows:

- i). To encourage the implementation of risk analysis based inspections in the area related technical measures in cooperation with CEFTA Working Group on risk management;
- ii). To make efforts on addressing behind-the-border measures in TBT and SPS;
- iii). To analyse the cases recorded in the CEFTA Market Access Barriers Database uploaded by each CEFTA Party in the areas related to technical measures;
- iv). To report to Subcommittee on NTMs possible ways for the elimination of unnecessary technical barriers to trade, and SPS which restrict access to the market;
- v). To keep record of the progress in EU alignment of CEFTA Parties in the areas of SPS and TBT, if deem necessary;
- vi). To keep a network of Enquiry points among CEFTA Parties for TBT functioning and updated;
- vii). To create a network of Enquiry points among CEFTA Parties for SPS matters and keeping them updated;
- viii). To coordinate technical assistance in the relevant areas which fall under the mandate of the Working Group.

8. ACCOUNTABILITY AND REPORTING

8.1. The agreed minutes from the meetings will be submitted to the Chair of the Subcommittee on NTMs to be integrated into the report of the Subcommittee.

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

8.3. The Working Group will prepare the annual report on reviewing and proposing measures for reducing and eliminating the technical measures, based on inputs from the CEFTA Parties.

8.4. This Report will be submitted to the Subcommittee on NTMs and will be an integral part of the Annual Report of the Subcommittee on NTMs to be presented at the Joint Committee meeting through Committee of Trade Facilitation. "

Annex 5

Terms of Reference for the Working Group on Risk Management

1. TITLE

The title of the group will be "CEFTA Working Group on Risk Management".

2. TASK

The task of the Working Group on Risk Management (hereinafter referred to as: "Working Group") is to develop and broaden cooperation among CEFTA Parties, according to Article 12, 13, and 14 of CEFTA 2006, particularly with a view to propose the possibilities of taking joint actions related to the management of public authorities and agencies involved in clearance of goods 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.

3. MEMBERSHIP

3.1. Members of the Working Group are government officials in charge of risk management of the Customs Authorities, Other Governmental Authorities in charge of clearance of goods of the CEFTA Parties, particularly the one responsible for conformity assessment and inspections for technical regulations and standards, and sanitary and phytosanitary measures.

3.2. The representative from each Party shall actively participate in performing the tasks and functions of this Working Group.

3.3. 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.

3.4. The Working Group will make recommendations by consensus of all members. If a member is absent from the meeting he/she should communicate its position in writing within the period of not longer than 20 working days from the date of a receipt of a request. If position is not communicated within the set period, it shall be deemed that the member concerned has no objection and agrees to proceed further.

3.5. The member of the group will cease to be a member if:

- He/she resigns from employment in the government;
- He/she fails to attend 3 consecutive meetings without providing apologies to the Chair and securing an appropriate replacement;
- On their own request.

4. CHAIRMANSHIP

4.1. The Party chairing of the Subcommittee on Non-Tariff Measures shall chair the Working Group, as the Working Group is established under the CEFTA Subcommittee on Non-Tariff Measures.

4.2. 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.

5. MINUTES TAKING

Representative of the CEFTA Secretariat will take notes and draft minutes of the meetings of the Working Group within 10 working days from the day of the meeting. Recipients of the meeting minutes/conclusions will have 5 working days to submit comments; if no comments are submitted, the minutes will be considered final.

6. MEETINGS

6.1. The meetings of the Working Group will be organized at least once a year, preferably before the regular meeting of the CEFTA Subcommittee on NTMs.

6.2. It may meet more frequently in independent meetings as circumstances require.

7. FUNCTION

The specific functions of the Working Group are:

- i). Cooperation in the field of risk management of customs authorities and other governmental authorities involved in clearance of goods;
 - To exchange information on the existing or any amendment adopted in the national rules and regulations on risk management, and its implementation,
 - To collect and exchange of statistical data regarding the performance of the application of their risk analysis, results of their inspections and of selectivity criteria in the clearance of goods,
 - To share best practices in 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 risk management.
 - To cooperate and exchange of information for the purpose of seamless implementation of trade facilitation related provisions of CEFTA

- 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 low risk profiles could be developed with a view to facilitate the regional trade through simplification of procedures and reduce the formalities imposed on trade,
- To encourage the widespread implementation of risk analysis based inspections throughout the CEFTA Region by all governmental authorities involved in clearance of goods

8. ACCOUNTABILITY AND REPORTING

8.1. The agreed minutes of the working meetings will be submitted to the Chair of the Subcommittee on Non-Tariff Measures and are to be integrated into the meetings of the Subcommittee.

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

8.3. The Working Group will prepare the annual report on cooperation in the field of 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 Non-Tariff Measures and will be an integral part of the Annual Report of the Subcommittee on Non-Tariff Measures, which is to be presented through Committee of Trade Facilitation at the Joint Committee meeting."

Annex 6

Terms of Reference for the Working Group on Electronic Exchange of Information

1. TITLE

The title of the group will be "CEFTA Working Group on Electronic Exchange of Information".

2. TASK

The task of the Working Group on Electronic Exchange of Information (hereinafter referred to as: "Working Group") is to develop and broaden cooperation among CEFTA Parties, according to Article 12, 13, and 14 of the CEFTA 2006, particularly to address the issues which are related to the functioning and sustainability of the existing or new IT capacities and tools to be created between the CEFTA Parties in the framework of CEFTA and CEFTA Management Information System, and proposing solutions for the CEFTA Region with an aim to facilitate the regional trade while improving the overall quality and deterrence of customs, security and safety controls and inspections.

3. MEMBERSHIP

3.1. Members of the Working Group are government officials in charge of information technology and electronic data exchange, of Ministries competent for Trade, Customs Authorities and Other Governmental Authorities of the CEFTA Parties involved in the clearance of goods.

3.2. The representative from each Party shall actively participate in performing the tasks and functions of this Working Group.

3.3. Experts from other public authorities of the CEFTA Parties or from other countries or international organisations/ institutions 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.

3.4. In the issues requiring specific technical IT knowledge, in particular for the functioning of the existing IT tools for the electronic data exchange, the Working Group may decide to benefit from technical consultancy which can be contracted by the CEFTA Secretariat.

3.5. The Working Group will make recommendations by consensus of all members. If a member is absent from the meeting he/she should communicate its position in writing within the period of no longer than 20 working days from the date of a receipt of a request. If position is not communicated within the set period, it shall be deemed that the member concerned has no objection and agrees to proceed further.

3.6. The member of the group will cease to be a member if:

- He/she resigns from employment in the government;
- He/she fails to attend 3 consecutive meetings without providing apologies to the Chair and securing an appropriate replacement;
- On their own request.

4. CHAIRMANSHIP

4.1. The Party chairing of the Subcommittee on Non-Tariff Measures shall chair the Working Group, as the Working Group is established under the CEFTA Subcommittee on Non-Tariff Measures.

4.2. 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.

5. MINUTES TAKING

Representative of the CEFTA Secretariat will take notes and draft minutes of the meetings of the Working Group within 10 working days from the day of the meeting. Recipients of the meeting minutes/conclusions will have 5 working days to submit comments; if no comments are submitted, the minutes will be considered final.

6. MEETINGS

The Working Group shall meet as necessary but at least once per year, preferably before the meeting of Subcommittee on Non-Tariff Measures.

7. FUNCTION

The specific functions of the Working Group are:

- i). Cooperation in the field of electronic exchange of information
 - To exchange of information and discuss all the issues for the sake of ensuring seamless functioning of electronic exchange of information between CEFTA Parties and functioning of CEFTA Management Information System;
 - To exchange information on the existing or any amendment adopted in the national rules and regulations on electronic exchange of information between CEFTA Parties, 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 intra-agency/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 in order to ensure sustainability of data exchange, and extend the scope of information/documents/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/documents/data between Governmental Authorities and Agencies involved in clearance of goods, and between SPS and TBT Authorities, and Customs Authorities into the existing or new IT tools for the electronic exchange of information/documents/data with a view to facilitate the regional trade through simplification of border clearance procedures and reduce the formalities imposed on trade.

8. ACCOUNTABILITY AND REPORTING

8.1. The agreed minutes of the working meetings will be submitted to the Chair of the Subcommittee Non-Tariff Measures, and are to be integrated into the meetings of the Subcommittee.

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

8.3. The Working Group will prepare the annual report on cooperation in the field of electronic exchange of information, and potentials for extending the scope of electronic exchange of information, based on inputs from the CEFTA Parties. This Report will be submitted to the Subcommittee on Non-Tariff Measures, and will be an integral part of the Annual Report of the Subcommittee on Non-Tariff Measures, which is to be presented through Committee of Trade Facilitation at the Joint Committee meeting."

Annex 7

Terms of Reference of the Sub-Committee on Agriculture including Sanitary and Phytosanitary Issues

1. TITLE

The title of the Sub-Committee will be "CEFTA Sub-Committee on Agriculture including Sanitary and Phytosanitary Issues".

2. TASK

The task of the Sub-committee is to contribute the promotion of trade and facilitate trade in agricultural products within the region and to discuss and coordinate to the maximum extent the policies on agriculture and the protection of plant health, animal health and food safety and other relevant areas in accordance with Article 11 and 12 of CEFTA 2006.

3. MEMBERSHIP

3.1. Members of the Sub-committee will be senior civil servants from Ministries responsible for agriculture and/or from respective administrations responsible for these issues.

3.2. The Sub-Committee will make recommendations by consensus of all members. If a member is absent from the meeting he/she should communicate its position in writing within the period of no longer than 20 working days from the date of a receipt of a request. If position is not communicated within the set period, it shall be deemed that the member concerned has no objection and agrees to proceed further.

3.3. The member of the Sub-Committee will cease to be a member if:

- He/she resigns from employment in the government;
- He/she fails to attend 3 consecutive meetings without providing apologies to the Chair and securing an appropriate replacement;
- On their own request.

4. CHAIRMANSHIP

4.1. The Chair of the Sub-committee on Agriculture shall be a representative of the second Party in alphabetical order after the Chair in Office.

4.2. The Chair of Subcommittee will participate in the meetings of the Subcommittee on Non-tariff Measures and the Committee of Trade Facilitation.

5. MINUTES TAKING

Representative of the CEFTA Secretariat will take notes and draft minutes of the meetings of the Sub-Committee within 10 working days from the day of the meeting. Recipients of the meeting minutes/conclusions will have 5 working days to submit comments; if no comments are submitted, the minutes will be considered final.

6. MEETINGS

The Sub-committee shall meet as necessary but at least once per year and shall report to the Joint Committee.

7. FUNCTION

7.1. The specific functions of the Sub-committee on Agriculture including Sanitary and Phytosanitary Issues are:

- i). Ensure instruments to facilitate the exchange of information between the CEFTA Parties and informing the CEFTA Joint Committee regarding changes in their respective agricultural policies pursued or measures applied, which may affect the conditions of agricultural trade among them as provided for in CEFTA 2006;
- ii). Review the implementation of Additional Protocols among CEFTA Parties liberalizing trade in agricultural products;

iii). Act as a platform if a Party requests prompt consultations to examine the situation referred to in Article 11, paragraph 2 of CEFTA 2006;

a) In this action, the Subcommittee will deal with complaints by a Party concerning the possible discriminatory application by other Parties of measures in trade with agricultural products contrary to CEFTA in cooperation with Subcommittee on Non-Tariff Measures. Subcommittee on Agriculture including Sanitary and Phytosanitary Issues in a joint session with Subcommittee on Non-Tariff Measures will:

- review the situation and recommend steps to resolve the situation;
- review that issues arising in the application of Article 12 Sanitary and Phytosanitary Measures, Article 15 Fiscal Discrimination, Article 23 *bis* and other relevant provisions are dealt with in accordance with the provisions of Article 42 of CEFTA 2006;
- bring issues that remain unresolved to the attention of the Joint Committee through Subcommittee on Non-Tariff Measures and Committee of Trade Facilitation.

iv). Propose initiatives in CEFTA to promote regional trade in agricultural products;

v). Promote development of regional supply chains in agriculture sector in CEFTA;

vi). Act as focal point in CEFTA structures to coordinate technical assistance initiatives in CEFTA in relation to trade promotion in agricultural products;

7.2. To coordinate technical assistance to be provided to CEFTA Parties through regional programmes in the relevant areas under the mandate of the Subcommittee.

8. ACCOUNTABILITY AND REPORTING

8.1. The Sub-committee will communicate on a regular basis with the Committee of Trade Facilitation and report the activities of the Subcommittee related to Article 11.2, 11.3 and 12 of CEFTA 2006.

8.2. Present a written report annually to the Joint Committee noting progress made and difficulties encountered in the course of the past calendar year. It will focus on presenting:

- trends in agricultural trade among CEFTA Parties;
- agricultural policies applied in CEFTA Parties, particularly those introduced as part of their harmonisation with the Common Agricultural Policy of the EU, including harmonisation of sanitary and phytosanitary measures with the EU *acquis*;
- problems encountered and solved and, in the light thereof, recommend priorities for further actions.

Annex 8

Terms of Reference for the Sub-Committee on Customs and Rules of Origin

1. TITLE

The title of the Sub-Committee will be "CEFTA Sub-Committee on Customs and Rules of Origin".

2. TASK

2.1. The task of the Sub-committee is to ensure the implementation of simplification and facilitation of customs procedures in accordance with Article 14.4. of CEFTA 2006 and to report to Committee of Trade Facilitation about the implementation in this regard.

2.2. The Subcommittee will coordinate the implementation of Annex 4 of CEFTA 2006 and all the consecutive amendments done in this Annex 4 regarding the implementation of common rules of origin in CEFTA.

3. MEMBERSHIP

3.1. Members of the Sub-committee will be Deputy Directors of Customs and senior civil servants responsible for these issues.

3.2. The Sub-Committee will make recommendations by consensus of all members. If a member is absent from the meeting he/she should communicate its position in writing within the period of no longer than 20 working days from the date of a receipt of a request. If position is not communicated within the set period, it shall be deemed that the member concerned has no objection and agrees to proceed further.

3.3. The member of the Sub-Committee will cease to be a member if:

- He/she resigns from employment in the government;
- He/she fails to attend 3 consecutive meetings without providing apologies to the Chair and securing an appropriate replacement;
- On their own request.

4. CHAIRMANSHIP

4.1. The Chair of the Sub-committee on Customs and Rules of Origin shall be a representative of the first Party in alphabetical order after the Chair in Office.

4.2. The Chair of Subcommittee will participate in the meetings of Subcommittee on Non-tariff Measures and Committee of Trade Facilitation.

5. MINUTES TAKING

Representative of the CEFTA Secretariat will take notes and draft minutes of the meetings of the Sub-Committee within 10 working days from the day of the meeting. Recipients of the meeting minutes/conclusions will have 5 working days to submit comments; if no comments are submitted, the minutes will be considered final.

6. MEETINGS

The Sub-committee shall meet as necessary but at least once per year and shall report to the Joint Committee.

7. FUNCTION

7.1. The specific functions of the Sub-committee on Customs and Rules of Origin will:

i). Exchange and discuss the implementation of the relevant provisions of CEFTA 2006 regarding simplification and facilitating customs procedures in the region;

ii). Ensure harmonised implementation of common rules of origin with a view to *inter alia* enabling diagonal cumulation of origin within the region without delay. It will in particular:

- 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;
- consider what measures to take at the regional level in order to ensure participation of CEFTA Parties in cumulation zones under the Pan-Europe Mediterranean Convention (herein after called "the PEM Convention") and to extend their benefits in preferential treatment from the rules of origin;
- elaborate joint positions for CEFTA Parties which are to be presented in the revision process of the PEM Convention;
- notify the Joint Committee of the PEM Convention on the decision taken by CEFTA Parties which derogates from the PEM Convention.

7.2. To coordinate technical assistance to be provided to CEFTA Parties through regional programmes in the relevant areas under the mandate of the Subcommittee.

8. ACCOUNTABILITY AND REPORTING

8.1. The Sub-committee will communicate on a regular basis with Committee of Trade Facilitation and report the activities of Subcommittee related to Article 14.4. of CEFTA 2006.

8.2. Present an annual report to the Joint Committee on its activities. It will in particular:

- inform through Committee of Trade Facilitation and Sub Committee on Non-tariff measures progress made in the implementation of simplification and facilitation of customs procedures in accordance with the relevant provisions of CEFTA 2006;
- inform on progress made in implementing diagonal cumulation within the region;
- recommend areas where co-ordinated action by the Parties is necessary.