

Executive Summary

Second Meeting of the CEFTA Subcommittee on Customs and Rules of Origin

Belgrade, 11 - 12 May 2009

The Second Sub-committee meeting on Customs and Rules of Origin was held in Belgrade on 11 - 12 May 2009. The meeting was attended by representatives of the Republic of Albania, Bosnia and Herzegovina, the Republic of Croatia, the Republic of Macedonia, Montenegro and the Republic of Serbia. The Republic of Moldova and UNMIK/Kosovo were not present. The meeting was hosted by the Customs Administration of Serbia.

Implementation of the Protocol on Rules of Origin, especially Article 15 of Annex 4 and providing the details required under box 7 in EUR.1 was discussed. The Parties agreed to continue to work to achieve full harmonisation on the application of Article 15. Regarding the completion of Box 7 it was agreed to apply the current system and in the future, follow the final decision of the Pan Euro-Med Working Group on this issue.

Regarding the issue of defining the treatment of returned goods from a partner country, all the Parties confirmed that the same practice has been used by their respective customs administrations from the first day of entry into force of CEFTA; the same is true for the implementation of all bilateral FTAs including SAAs.

On post verification of the proofs of origin several problems were discussed, especially those which involve law suits and court decisions. All Parties agreed on a more selective approach with respect to sending requests for post verification.

The implementation of the Single Window system for Export and Import licenses in Macedonia was presented as a way to simplify customs procedures. This EXIM system eliminates the use of hard copies of 66 different licenses and authorisations issued by several border agencies or ministerial bodies.

Given the interest expressed about this system, Macedonia agreed to host a meeting of all Parties on its experience and other governmental institutions responsible for inspection of the borders will be invited to participate.

The Ministry of Finance of Serbia proposed to include Serbia in the CEFTA diagonal cumulation with materials originating from the EU by presenting the existing legal basis with additional argumentation. The Parties accepted the Serbian proposal for a bilateral exchange of documents which would (i) automatically allow for Article 3 to be applied to Serbia if the documents are accepted by the respective Party or (ii) alternatively, if needed allow the Parties to recommend other acceptance procedure.

The Chair informed the Parties of the request received by the CEFTA Secretariat from DG TAXUD to provide information on how CEFTA Parties ensure that only materials originating in Albania, BiH, Macedonia and Montenegro (having a FTA in force with the Community providing for diagonal

cumulation) are used in diagonal trade with the Community. All Parties agreed on a response to the EC to be communicated by the CEFTA Secretariat.

A EUROSTAT expert gave a short presentation on the EU's experiences with collecting external trade data from the Customs Administrations for statistical purposes. Since the various reasons for discrepancies can arise from differences in classification, in value and in data structure but also in the statistical data processing, all the Parties agreed that a permanent and comprehensive co-operation between national customs offices and statistical offices as well between the regional statistical offices is of the utmost importance for delivering comparable data.

The Chair drew the participants' attention to DG TAXUD's invitation for the 10th meeting of the Pan Euro- Med Working Group to be held on 28 May 2009 in Brussels. The Western Balkan countries can contribute to the discussions together with other Mediterranean countries at this meeting, on the new draft of the European Convention on Rules of Origin.

The Chair also informed the Parties about the Centre for European Perspective's initiative to organise a follow up workshop on the implementation and potential impact of SAP + cumulation, tentatively scheduled for September 2009 in Montenegro.

A draft of the Joint Committee Decision on Amendments to Annex 4 of CEFTA was presented and the Parties agreed to propose to the CEFTA Joint Committee the adoption of a Decision for the amendment of the List of Working or Processing to be effective on the day of its adoption. The notification procedure for the List depends on the internal procedure in each Party.

Strengthening co-operation between the various CEFTA Customs Administrations was stressed and several Macedonian initiatives were discussed e.g. the establishment of a regional training centre in the framework of WCO, to increase the administrative capacity through the WCO E – learning programme.