

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

No. 7/2007

Adopted on 28 September 2007

Mandate of the Secretariat

Preamble

The Joint Committee,

Having regard to Article 40.2 of Annex 1 to the Agreement on the Amendment of and Accession to the Central European Free Trade Agreement, CEFTA 2006, (herein after called the "Agreement") done in Bucharest on 19 December 2006 according to which "the Joint Committee will be supported by a permanent Secretariat" and the Joint Committee "will decide on the functions and administrative rules of the Secretariat";

Considering also Article 41.5 of CEFTA 2006, which states that "The Joint Committee may decide to set up appropriate organs, such as working groups, task forces, sub-committees, and other bodies it considers necessary to assist it in accomplishing its tasks",

Hereby adopts the following Mandate of the Secretariat:

Article 1

Functions of the Secretariat

1. The overall function of the Secretariat is to provide technical and administrative support to the Joint Committee and to any sub-committee, expert group or other body established by the Joint Committee as requested.
2. Specifically the Secretariat shall:
 - support the Chair in Office of CEFTA in the organisation and follow-up of all meetings of the Joint Committee and its appropriate organs. This includes, but is not limited to, work involving research and preparation of background documents and/or technical papers, and all administrative measures necessary for the preparation and organisation of meetings.
 - prepare draft minutes of all meetings for approval by the Chair and subsequently by the Joint Committee or respective sub-committee.
 - collate and circulate information to all Parties in accordance with the requirements of the Articles of the agreement.
 - provide technical, administrative and professional support to the sub-committees established under the Agreement in accordance with specific terms of reference agreed with sub-committees and approved by the Chair.

- co-ordinate donor-funded assistance for regional trade policy activities including the development of requests for assistance as agreed by the Chair and/or the Joint Committee and to monitor progress made.
 - maintain the official archive of the Agreement in liaison with the Depository. The Depository will be responsible for holding original copies of all legal documents, in particular decisions and recommendations of the Joint Committee and the minutes of meetings of the Joint Committee and any sub-committee or other body set up by the Joint Committee. The Secretariat will hold copies of all background documents and reports discussed by the Joint Committee and any sub-committee as well as routine correspondence.
3. The Joint Committee may assign additional functions to the Secretariat that it deems are required.

Article 2

Structure and Staffing

1. The Secretariat shall comprise the following staff:
 - A Director;
 - Two full-time technical experts, each capable of covering several areas falling under CEFTA 2006;
 - One executive assistant; and
 - Part-time financial administrator
2. Staff will be recruited by open tender based on agreed criteria for each post. All things being equal, preference will be given to staff from CEFTA Parties.
3. The Director shall be appointed for a period of three years. The Director is appointed by decision of the Joint Committee.
4. The period of appointment of staff other than the Director shall be two years with the possibility of a one-year extension.
5. A Selection Committee consisting of a representative of each of the CEFTA Parties, the Director of the Secretariat (once designated) and a representative of the main donor to the Secretariat shall consider applications for staff positions and recommend appointments. The main donor representative may participate in the Selection Committee as long as donor countries contribute to the budget of the Secretariat.
6. The Selection Committee shall determine terms of reference for each position. All vacancies shall be publicly advertised. The Selection Committee shall decide by consensus on the appointments to each position and shall inform the Joint Committee. Where the Selection Committee cannot reach consensus within 14 calendar days of the final interview, the appointment will be referred in writing to the Joint Committee for resolution within 40 calendar days of the final interview.

Article 3

Reporting

1. The Director of the Secretariat shall receive instructions from the Joint Committee and report directly to it in a manner that keeps the Joint Committee well informed of the progress of its work. The Director shall maintain close contact with the Chair in Office to ensure effective execution of the Secretariat's functions in accordance with the instructions of the Joint Committee.
2. The Director shall submit an annual report to the Joint Committee on the staffing, activities and finances of the Secretariat during the calendar year within 30 calendar days of the end of each year.
3. The Joint Committee shall review the annual report of the Director and decide on any appropriate action that the review calls for.

Article 4

Budget and Cost Sharing

1. The annual budget of the Secretariat shall be proposed by the Director and approved by the Joint Committee.
2. The costs of the annual budget will be shared among the CEFTA Parties on the basis of the following individual percentage contributions.

Party	% of Budget
Republic of Albania	8%
Bosnia and Herzegovina	12.5%
Republic of Croatia	25%
Republic of Macedonia	11%
Republic of Moldova	5.5%
Republic of Montenegro	6.5%
Republic of Serbia	25%
The United Nations Interim Administration Mission in Kosovo on behalf of Kosovo in accordance with United Nations Security Council Resolution 1244	6.5%

The percentage allocations among the Parties will be reviewed every three years.

3. Financial contributions from donors are foreseen for at least three years.¹

¹ The EC has conditionally proposed to make a substantial contribution to the initial launch and operational costs of the Secretariat.

4. An independent audit will be carried out each year in accordance with international standards. The Director will submit the results of the audit as well as a summary financial report to the Joint Committee as part of his Annual Report.

Article 5

Legal Status

1. The Secretariat shall have a legal status that provides it, as well as its staff, with the minimum legal protection necessary to allow it to function independently and efficiently in its dealings with public authorities and institutions and with commercial entities in the host country.
2. In order to obtain such legal protection in the host country, the Joint Committee shall request the relevant authorities to formally recognise, in a "headquarters agreement", the Secretariat's international legal status, and to grant it the customary privileges and immunities enjoyed by representations of international governmental organisations, as well as full legal personality under the host country's law.
3. The CEFTA Parties will negotiate and conclude a "headquarters" or similar agreement with the host country.
4. In order to enable its staff to enjoy the customary exemptions granted by the host country authorities to staff members of international governmental organisations, the Secretariat shall adopt appropriate internal procedures (e.g. Statute of Personnel, introduction of a social security scheme).
5. The Joint Committee confers on the Secretariat, represented by the Director, the right to conclude and implement financing agreements with donors, to open the necessary bank accounts and to issue employment contracts to full time and part-time staff. The Director may also contract short-term experts on assignments approved by the Joint Committee.

Adopted in Ohrid on 28 September 2007 in the presence of representatives of

Republic of Albania

Bosnia and Herzegovina

Republic of Croatia

Republic of Macedonia

Republic of Moldova

Republic of Montenegro

Republic of Serbia

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