

## EXECUTIVE SUMMARY

### SUBCOMMITTEE MEETING on CUSTOMS AND RULES OF ORIGIN

**27 September 2012, Sarajevo**

The Subcommittee meeting on Customs and Rules of Origin was held in Sarajevo with the participation of Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, Serbia, and Kosovo\*. Representatives of the IFC have also attended the meeting upon the invitation by the Chair exclusively for the Subcommittee meeting.

The Chair noted that the work programme of Bosnia and Herzegovina had foreseen an increased number of technical activities and gatherings in different technical areas ranging from risk analyses to supply chain processes, from rules of origin to trainings. He also added that Bosnia and Herzegovina had committed that those technical meetings would have: high quality with the attendance of international experts, result oriented discussions, well-defined targets to respond.

The IFC team has listed 13 different findings affecting the intra-region trade in processed food, and put forward a short description of recommendations corresponding to each finding. Some highlights of those findings are as such:

-All consignments are subject to documentary controls, and most of them are subject to physical inspections. In some case, those physical inspections are called as identification.

-Customs as well as agencies in charge of technical regulations and SPS measures utilise non-sophisticated risk management, and rely heavily on physical inspections.

-Data exchange between the parties, including pre-arrival information, is not commonly practices or is performed below optimal levels.

-Despite the existence of agreements between some Parties, the certificates on technical regulations are not recognized mutually.

The IFC stated that they would mobilise a group of experts on risk, and were planning to hold a number of technical workshops on risk management. Furthermore, given the low use of simplification procedures, the IFC recommended to create a task force among the Parties which can work on simplification and trade facilitation. The Chair underlined that Croatia would be leaving CEFTA to join the EU. In accordance with the regular rotation exercise, Croatia would have taken up the Chairmanship of Subcommittee on Customs and Rules of Origin

The Chair informed that regarding CEFTA Joint Committee Decision 2/2009, the Parties were required to communicate in writing the completion of their internal procedure for adopting the subject decision.

Upon the request of Serbia, the Chair invited the Parties to share their experiences regarding the implementation of Article 33 (4) of the CEFTA Protocol of Origin.

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\* This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo declaration of independence.