

# **REPORT** On Functioning and Implementation of CEFTA in 2011

By the Chair in Office

December 2011

### **Table of Contents**

I PURPOSE OF REPORT	3
II MAIN ACTIVITIES AND OBJECTIVES OF THE CHAIRMANSHIP	3
1. Main Objectives Achieved	3
<ul> <li>1.1. Further Liberalisation in Trade of Agricultural Products</li> <li>1.2. Exploring Possibilities for Liberalisation of Trade in Services</li> <li>1.3. Elimination of Non-Tariff Barriers in Intra-regional Trade</li> <li>1.4. CEFTA Trade Portal and its Management</li> <li>1.5. Cooperation among Customs Authorities and Implementation of Rules of Origin</li> <li>1.6. Investment, Supply Chains and Industry Concentration</li> <li>1.7. State Aid Notification</li> <li>1.8. Status of Ratification of IPR Agreements and Conventions, in Annex 7</li> <li>1.9. New Reporting Tool for the Matrix of Raised Issues</li> <li>1.10. CEFTA Trade Statistics</li> </ul>	
2. Official Meetings and Other Related Events	9
III CONCLUSIONS AND RECOMMENDATIONS FOR THE CHAIR IN 2012	16
IV Annexes 1	L7

#### I PURPOSE OF REPORT

The purpose of this document is to report on the implementation of the CEFTA Chairmanship Programme and functioning of the CEFTA Structures in the period of 1 January until 31 December 2011.

The first part summarizes the activities carried out in the course of one year while the second part reports on the main meetings and events of the CEFTA Structuress in order to support the implementation of the Chairmanship programme. The last part of the Report is devoted to conclusions and recommendations for key issues to be dealt with in 2012.

#### II MAIN ACTIVITIES AND OBJECTIVES OF THE CHAIRMANSHIP IN 2011

During its tenure of office, the CEFTA Chair in Office pursued with the implementation of the CEFTA 2006 Agreement. It addressed the most important commitments that Parties have undertaken to fulfil during previous Chairmanships as well as started a number of new initiatives.

A number of official meetings are held to support the implementation of the objectives, as well as a series of workshops and roundtables which served as forum for exchange of views and best practices among the participants.

#### 1. Main objectives achieved

In compliance with the Chairmanship Programme presented in February 2011, the Chair in Office together with official CEFTA Structures (three Subcommittees, two Working Groups and Secretariat) and outsourced technical assistance has fully accomplished the set objectives within the envisaged timeframe.

A couple of other initiatives not mentioned in the Chairmanship Programme were introduced in the course of the current year, such as creation of the Market Access Database and trade statistics review.

#### 1.1. Further Liberalisation of Trade in Agricultural Products

The several rounds of negotiations in further liberalisation of trade in agricultural products led in 2010 to initialling of the Additional Protocol and Annex 10 to the CEFTA Agreement by six interested CEFTA Parties. The documents were signed on 11 February 2011, and the status of ratification was as follows:

Albania: ratified on 26 May 2011 Croatia: ratified on 6 May 2011 Macedonia: ratified on 26 August 2011 Moldova: ratified on 29 September 2011 Montenegro: ratified on 19 November 2011 Serbia: ratified on 18 October 2011

In accordance with the agreed: "This Additional Protocol will enter into force on thirtieth day upon depositing of the third instrument of ratification..." Croatia as a Depositary informed the Parties that the Additional Protocol and Annex 10 entered into force in 2011 for Albania, Croatia and Macedonia (on 13 November), for Serbia (on 15 December), and in 2012 for Montenegro (6 January) and Moldova on 13 January 2012.

The Parties agreed that it would be necessary to follow up on the effects and impacts of such a liberalisation not only in Parties that were involved in negotiations, but also to the whole CEFTA Region.

For more information on agricultural trade and sanitary and phytosanitary issues please see the *Report of the Subcommittee on Agriculture and SPS for 2011.* 

#### 1.2. Exploring Possibilities for Liberalisation of Trade in Services

During the reporting period, the Chair in Office focused its efforts on further exploring the possibilities for gradual liberalisation of trade in services among the CEFTA Parties.

Important analytical studies complemented the work of the Working Group on Trade in Services mandated from the Joint Committee to facilitate future negotiations. The analysis of the World Bank ('*Barriers to Trade in Services in the CEFTA Region'*) highlighted the four most prominent sectors – construction, transport, legal services and ICT services, and the problem of scarce and low quality statistical data in the specific subsectors.

The Parties exchanged information on the commitments undertaken in relation to the WTO and EU accessions, and compiled *Consolidated Questionnaire on the Current Market Openness*. Various technical modalities of the negotiations, potential format, time, scope, and dynamics of the negotiations were given special attention. The members of the Working Group took note on types of services negotiations in other FTAs such as ASEAN, NAFTA and MERCOSUR and draw learned lessons for conducting the negotiations on liberalization.

In order to thoroughly prepare for the process that awaits ahead, the members decided to develop and fill in the more detailed questionnaire, a so-called *Questionnaire on Existing Discriminatory and Restrictive Measures* to have a more complete picture on existing restrictions and potentials.

Finally, the significant efforts were invested into developing a detailed *Action Plan for the next two years*. Such plan present a very good ground for the next chair's work and fulfillment of the common objectives.

For more information, please see the *Report on Working Group on Trade in Services for 2011*.

#### 1.3. Elimination on Non-tariff Barriers in Intra-regional Trade

During 2011, the main activity of the CEFTA Subcommittee on TBT and NTBs complemented by the OECD technical assistance was to develop and implement the Multilateral Monitoring Framework on Elimination of NTBs (MMF).

Bosnia and Herzegovina as a Chair of the Subcommittee developed a one-year Action Plan to support the implementation of the MMF. The Plan envisaged four phases: (i) selection of the priority sectors and products, (ii) endorsement of the selected products, (iii) first MMF assessment and presentation of the results, and (iv) submission of the report to the Joint Committee. All the phases in the Action Plan were successfully completed by the end of 2011.

The first cycle of the assessment of NTBs in selected intermediary products covered three areas: technical barriers to trade, sanitary and phytosanitary measures and administrative barriers. It was conducted by the independent experts and the OECD Private Sector Division team in the period of fourth months. The report on the assessment was presented before the members of the Subcommittee and comprised the recommendations for further work with the projections on what can be realistically achieved in the multilateral context.

The Parties supported the recommendations and they were endorsed by the Joint Committee at its fifth session in November 2011.

For more information on activities, please see the *Report of the CEFTA Subcommittee on NTBs* and TBT for 2011.

#### 1.4. CEFTA Trade Portal and its Management

Following its launching in 2010, the CEFTA Trade Portal received a huge number of visitors (approx. 80.000) coming from the region, but also from the EU Member States, Russian Federation, the US, etc.

In 2011, The Parties undertook the obligation to update and upgrade the Portal regularly. In the reporting period, the first update of the web pages as well as the upgrade concerning the introduction of the seventh category of Public Procurement was successfully completed; the work on standardizing of the texts is undergoing, and the same stays for the envisaged revision.

Additional features of the Portal were also discussed such as a frequently asked questions and a user friendly search engine similar to a simplified TARIC-like system. Promotional activities will target for even greater visibility and the plan is already prepared.

A very positive response of the Portal from the other two CEFTA Subcommittees (Agriculture and SPS; and on Customs and RO) and a Working Group on TBT was received and they took the responsibility to actively participate in the revision of the Portal.

An *ad hoc* Task Force was established to deal with the transfer of the Portal to the Parties beyond 2012. The Parties appointed the members to this task force and the first meeting was held in Pristina on 15 September 2011 where the scope of the work was discussed and agreed. The second meeting of the Task Force was held at the margins of the Budapest Roundtable on 2 November 2011 and Parties agreed on actions regarding key issues for the future maintaining and updating of the Portal, the common core text elements for the standardisation and frequently asked questions.

The work on drafting and finalizing of the text of the MoU has continued. The MoU needs to be signed in the last quarter of 2012 in order to allow smooth transfer from the GIZ to the CEFTA Parties.

# 1.5. Cooperation among Customs Authorities and Implementation of Rules of Origin

The Chair prepared a multiannual programme for three years to set key priorities, particularly the ones aiming at trade facilitation. Three key priorities are: (i) coordination with the Subcommittee on NTBs and TBT; (ii) developing regional approach in the areas of electronic data exchange between the CEFTA Parties; (iii) establishing transparent procedures to ensure sustainable and reliable information exchange between customs and the regional trading community to simplify customs rules with a view to facilitating trade.

Regarding the first priority, all CEFTA Customs Authorities have been requested to actively participate in responding the questionnaire sent by the OECD regarding the administrative barriers as a part of Multilateral Monitoring Framework on Eliminating NTBs. In the framework of the second priority, the the CEFTA Parties have expressed their interest to use SEED (Systemic Electronic Exchange of Data) database as important tool for information exchange on origin. Regarding the third priority, the Regional Training Centre accredited by the World Customs Organisation in Macedonia informed about its tentative planning to initiate a training programme on AEOs for the private sector in the CEFTA Region. In addition, the Regional School of Public Administration (RESPA) in Montenegro was contacted to explore possible regional training programmes on customs to which the RESPA can support.

The Subcommittee agreed to establish a CEFTA Origin Network for Pan-Euro Mediterranean meetings and recommended the Parties involved in the PEM process to exchange of their views before the PEM working group meetings. The Chair organized a technical meeting on 27 September in Tirana for the CEFTA origin network to coordinate the views of the Parties and a workshop session where the representatives of EFTA and Turkey and CEFTA origin experts exchanged their best practices.

A Matrix indicating the application dates of diagonal cumulation between the CEFTA Parties, the EU, the EFTA States, and Turkey was prepared and submitted to the Joint Committee for endorsement in November 2011.

For more information on customs issues please consult the *Report of Subcommittee on Customs* and *Rules of Origin for 2011*.

#### 1.6. Investment, Supply Chains and Industry Concentration

In the area of investment, the Chair in Office worked closely with the OECD to develop the project on mapping the FDIs and investment locations across the CEFTA Region. The project identified the patterns of regional distribution and key factors leading to the geographical concentration of sectors and agglomerations in CEFTA economies.

The initiative proved to be very important since it will enable CEFTA Parties to have an evaluation of the impact of regional and EU integration on the evolution of investment location in the region. It is also envisaged to link the findings from this project with the results of the MMF assessment on NTBs in the intermediary products, thus allowing for the evaluation of impact of NTBs on the supply chains and industry concentration.

#### 1.7. State Aid Notification

Having taken into account Article 22 paragraph 7 of CEFTA, the Chair in Office considered necessary to employ a notification format that combines the practices of both WTO and the EU but requiring no further information than the one foreseen by the WTO procedure. Standardizing state aid notifications including a minimum set of details in line with the international standards is not only to facilitate the transparency of state aid schemes but also to ease producing reports on state aids, if asked by the Parties.

The Chair in Office instructed the Secretariat to prepare a proposal for notifying state aid schemes. The first draft was submitted to the Parties during the Deputy Ministers meeting held in Pristina on 30 June 2011. The final text of the Decision and the Report are agreed in the course of the third quarter of 2011.

Finally, the Joint Committee endorsed the Decision on Notification of State Aid Schemes according to the Article 21 at its fifth session in November 2011.

# 1.8. Status of ratification of IPR Agreements and Conventions in Annex 7 of the Agreement

Protection of Intellectual Property Rights is one of the priorities of the 2011 Chairmanship. Having also taken into account Article 39 paragraph 2 of CEFTA, the Chair in Office deemed necessary to create a table displaying the latest ratification status of each Party for the IPR Agreements and Conventions listed in Annex 7.

For this purpose and with the intention to facilitate the task of the Parties, the Chair in Office has done the first revision of the current Annex 7. The revision meant removing Bulgaria and Romania from the list of CEFTA Parties, rearranging the Parties in the alphabetical order, introducing the dates of entering into force or of signing of individual convention/agreement for respective Parties. This was done in consultation with the information available on the WIPO (World Intellectual Property Organisation) website. The table is available in the official website of the Secretariat.

#### 1.9. New Reporting Tool for the Matrix of Raised Issues

During the meeting of Subcommittee on NTBs and TBT on 2-3 June 2011, the Parties decided to improve the structure of the Matrix in order to achieve the better presentation of its content. It was agreed that the Secretariat would prepare a draft proposal.

The detailed presentation on the new database was made during the experts meeting held prior to the Deputy Ministers meeting in Pristina on 30 June 2011. In this meeting the Parties agreed to include all the areas covered by the Agreement into the reporting on market access barriers.

When preparing the database the following was taken into account:

- 1) To import the existing data of the Matrix into database
- 2) To adopt the ICT classification of non-tariff measures
- 3) To use HS 2007 for the classification of commodities

The CEFTA Market Access Barriers Database is operational and used regularly by the Parties since last quarter of 2011.

#### 1.10. CEFTA Trade Statistics

The Chair in Office supported the efforts of the Secretariat to improve the quality of information available on trade statistics. The first issue of the brochure introducing the CEFTA trade statistics has been prepared according to the data available by the Parties and circulated to the Joint Committee.

The scope of CEFTA trade data can be extended and the Secretariat proposed to introduce the share of other trading partners of CEFTA Parties as well as composition of their trade according to other international classification such as the Broad Economic Categories (BEC) or the International Standard Industrial Classification (ISIC Rev 3). In that way the quality of information available for CEFTA Parties trade dynamics will further improve.

The new proposal for extending the scope for the Trade Statistics was communicated to the Parties mid December and it is expected to have feedback until 20 January 2012.

### 2. Official Meetings and Other Related Events

In the reporting period, the CEFTA structures organized a number of official CEFTA meetings as well as workshops, roundtables, promotional events, in order to enable accomplishment of the objectives set in its Chairmanship Programme (please see *Annex 1*).

More information on the subjects discussed on these meetings can be obtained from the Agreed Minutes/Reports of each respective meeting.

#### 2.1. Third Meeting of the CEFTA Secretariat Steering Committee

The third CEFTA Secretariat Steering Committee was held in Brussels on 11 March 2011. It was chaired by the CEFTA Chair in Office and gathered all the CEFTA Parties and representatives of international organisations and bilateral donors who financially support the functioning of the CEFTA Secretariat.

The main items on the agenda included the report on the previous Chairmanship, review of last year activities and planned activities of the CEFTA Secretariat, the potential financial issues and priorities of the Chair in Office for 2011.

In conclusion of the meeting it was stated that the self-sustainability was a goal to be reached by the CEFTA Parties in the future. The European Commission as a major donor is decreasing its financial support over the years, while on the other hand the share of the Parties is increasing. The contributions from the Parties are deemed sufficient to support the functioning of the Secretariat, but in the area of technical assistance, the support from the bilateral donors would be appreciated.

#### 2.2. Third Meeting of the Working Group on Technical Barriers to Trade

Third meeting of the WG on TBT was held on 19 April in Belgrade under the Chairmanship of Bosnia and Herzegovina. The focus of this meeting was to agree on a systematic approach towards eliminating the unnecessary TBT by proposing the adequate solutions for the existing issues to the Subcommittee on NTBs and TBT.

The members discussed the following issues: preconditions for recognition of conformity assessment documents, situations where there is no signed MLA for the accreditation system, reducing the pre-market control in the light of transposition of the EC Regulation 765, and collaboration among the national accreditation bodies.

In addition, the effective and timely prepared collaboration between the Working Group on TBT and the IPA Quality Infrastructure Project was welcomed.

#### 2.3. Third Meeting of the Subcommittee on Customs and Rules of Origin

The Subcommittee on Customs and Rules of Origin meeting was held in Tirana on 19-20 May 2011 under the Chairmanship of Albania. The major items on the agenda included inter alia: (i) the discussion of the Multiannual Programme of the Subcommittee on Customs and Rules of Origin; (ii) establishment of the permanent CEFTA Origin Network for PEM meetings; (iii)

creation of the CEFTA Matrix on the Diagonal Cumulation. Under other issues members discussed: using existing IT tools for verification, implementation of Annex IV of the Agreement, cooperation among the CEFTA Customs Authorities, embroidered products, etc.

Under the item on coordination with other CEFTA Structures, the Chair of Subcommittee on NTBs and TBT presented the current state of play regarding the activities undertaken by the Subcommittee on NTBs and TBT, the matrix of trade barriers, and the multilateral monitoring framework. The Chair of Subcommittee on NTBs and TBT emphasized the necessity of ensuring the availability of customs experts in the Parties for their consultation and advice to the multilateral monitoring framework.

### 2.4. Fourth Subcommittee Meeting on Agriculture including Sanitary and Phytosanitary Issues

The fourth Subcommittee meeting on Agriculture and SPS was held in Brussels on 24 May 2011. The members discussed the following items: adoption of the Work Programme of the Subcommittee, dynamics of intra-regional trade in agricultural products, cooperation in the sanitary and phytosanitary area and key non-tariff barriers that have an origin in unnecessarily imposed SPS measures.

All the Parties reported on the steady progress in EU integration. The CEFTA region presents very important import as well as export market for almost all of the Parties, starting from 10% to 70% of import of the agricultural products and from 13% to 85% of export of agricultural products to the region in comparison to the world import/export. All Parties reported the increased intra-regional trade in 2010 on both import and export side in comparison to 2009. The quotas remains only in couple of Parties, while there were no safeguards measures imposed in the reporting period.

In the area of SPS legislation and its approximation to the EU Acquis, the CEFTA Parties reported on many activities and actions that are currently underway. As for the cooperation among the CEFTA SPS agencies, the Chair invited Parties who are more advanced to assist those who are in the early phase of the EU harmonization process. In that context the events such as workshops, seminars or roundtables, especially in the area of veterinary or phyto regulation hosted by the Parties would be more then welcomed.

#### 2.5. Third Meeting of the Subcommittee on TBT and NTBs

The third meeting of the Subcommittee on Non-tariff Barriers to Trade and Technical Barriers to Trade was held in Sarajevo, on 2 and 3 June. The key items on the agenda included: adoption of the Work Programme of the Subcommitee, implementation of the Multilateral Monitoring

Framework for Elimination of NTBs, matrix on raised issues, report from the Working Group on TBT, CEFTA Trade Portal, transparency issues and cooperation with private sector.

The Chair of the Subcommittee presented one year Action Plan for implementation of the Multilateral Monitoring Framework. In accordance with the commitment to strengthen the cooperation with other CEFTA Structures, the Action Plan was presented accordingly to the members of both Subcommittees at their meetings in Tirana (19-20 May) and in Brussels (24 May), where it was emphasized that participation and assistance of the members are crucial to the success of the next phases (assessment and self-assessment).

The Parties reported on recent cases of non-tariff barriers that have hampered the intraregional trade. Chair invited Parties to submit proposals on further development and improvement of the existing matrix on raised issues.

On transparency, the Chair reminded Parties on their obligation (Article 13.3 (*b*)) of the Agreement, Ministerial Conclusions 2011) to notify any technical regulations and standards in a process of adoption that could potential hamper the trade in the region. Moreover, he urged the Parties to use the agreed format of the Notification and to send them to the Chair as well as to copy it to the Secretariat.

#### 2.6. Third CEFTA Deputy/Assistant Ministers Meeting

The Deputy Ministers' meeting was held in Pristina on 29-30 June 2011. The chairs of the three Subcommittees and two working groups reported on the activities of the respective CEFTA bodies in the last six months and announced the actions in next two quarters of a current year.

The Chair presented its proposal for a reporting format in the field of state aids that needed to be formulated into the Ministerial Decision. On government procurement the Chair informed that an agreement was reached with SIGMA/OECD to include CEFTA as an item on the agenda of their yearly review meetings. Regarding to the contingency protection rules, the Chair announced its plans to have a workshop with USAID that was expected to take place in the last quarter of 2011.

The participants also discussed the CEFTA Trade Portal and its future management, priorities for the next Chairmanship and the preparations for the fifth Joint Committee meeting and CEFTA Week 2011 to be held in late November.

#### 2.7. Third Meeting of the Working Group on Trade in Services

Third regular meeting of the CEFTA Working Group on Trade in Services was held in Pristina on 15 September 2011. The key items on the agenda included: (i) current market openness of each individual Party; (ii) importance of services sectors in CEFTA economies, (iii) commitments undertaken in relation with the EU and WTO accessions; and (iv) technical modalities for negotiations.

The Parties discussed two possibilities for scheduling the commitments: (i) each CEFTA Party could have individual schedule or (ii) all CEFTA Parties could have one common schedule. The common schedule, such as exist of the EU in the WT, would increase transparency and comparability of commitments in the selected sectors across the region, and Parties supported this solution.

A more elaborated questionnaire on existing restricted or discriminatory measures was agreed to be submitted to the Secretariat by the end of January 2012. In addition, the Chair presented to the Parties an Action Plan that set up the activities deadlines, key roles and responsibilities for their implementation in the next two years.

#### 2.8. First Meeting of the CEFTA Trade Portal Task Force

The first meeting of the Task Force on the CEFTA Trade Portal was held in Pristina, on 15 September 2011. The key items on the agenda included: the update on the Portal given by the Chair, Task Force Terms of Reference, a concept and methodology for text standardization, upgrading of the Portal and introducing the online survey.

The terms of reference were discussed and revised. The Task Force gave consent to GIZ consultants to go ahead with the standardization of the Portal in order to conform to the Action Plan comitment be finalised by 7 December 2011.

Parties agreed to have the next meeting in November 2011, back to back with the OECD Roundtable that will be held in Budapest on 3-4 November.

#### 2.9. Meeting of the CEFTA Origin Network

The CEFTA Origin network meeting was held in Tirana on 27 September 2011. The meeting started with discussions among wider circle of participants on revision of PanEuroMed list rules and continued *in camera* with meeting of the CEFTA Origin Network. The CEFTA Parties discussed the Western Balkans Region positions, finalization of the draft CEFTA Matrix of Diagonal Cumulation prepared according to Article 3 of Annex 4 of the Agreement and possible interaction between CEFTA Structures and the EU Financed SEED Project.

During the meeting, Croatia presented the current draft of the Western Balkans proposal for the revision of PEM Convention List Rules. The CEFTA Parties involved in the PEM process had an opportunity to provide their further comments to Croatia to finalize the proposal that was eventually uploaded in CIRCA on 14 September 2011.

#### 2.10. Second Meeting of the CEFTA Trade Portal Task Force

The second meeting of the Task Force on the CEFTA Trade Portal was held in Budapest, on 2 November 2011. The key items on the agenda included: update on the Project, maintaining and updating of the CEFTA Trade Portal in the future, standardisation of texts, FAQs and results from the on line survey.

It was agreed that the GIZ consultants prepare a more elaborated paper on crucial issues. Parties were expected to provide feedbacks in order to have it finalized by the end of the year. The intention is to assist Parties to adjust the Memorandum of Understanding if necessary and enable the GIZ consultants to draft the Action Plan for 2012.

#### 2.11. Fourth Meeting of the Subcommittee on TBT and NTBs

The fourth meeting of the Subcommittee on Non-tariff Barriers to Trade and Technical Barriers to Trade was held in Budapest, on 3 November 2011 under the Chairmanship of Bosnia and Herzegovina. The key items on the agenda included: presentations on the preliminary results of the first cycle of assessments of MMF on TBT, SPS and administrative barriers and discussions on recommendations for future actions.

The Parties supported the recommendations regarding the signing of ACAA for a couple of common products as a right way for enabling the free movement of goods in TBT area since the harmonization on conformity assessment among the Parties could be a lengthy process.

In addition, the Parties conveyed several important suggestions to the experts in order to improve the quality of further assessments and that included the revision of indicators where necessary and the strict follow of the tripartite assessment (self assessment, independent and business opinions).

The OECD informed Parties that the new project with the EC would run for another three years and announced what was expected for the next year: publication of the results once the first assessment is completed and the conduct of assessment on the final goods based on the prior statistical analysis of the selected final goods.

#### 2.12. Special Joint Committee Meeting

The Special Joint Committee meeting was held in Brussels, Belgium on 8 September upon the request of Serbia. The meeting was concluded with a statement referring to the consensus reached between the Parties involved in the Dialogue. In addition, the issue with Bosnia and Herzegovina has been resolved following the Special Joint Committee meeting.

#### 2.13. CEFTA Week 2011

The CEFTA Week 2011 was held in Paris on 22 and 23 November. It gathered a number of government officials from the CEFTA Parties, business community and international organizations.

The agenda of the CEFTA Week encompassed six sessions for two days. The first day started with four sessions related to the implementation of the CEFTA Agreement: (i) monitoring progress on reduction and elimination of NTBs, (ii) liberalization of trade in services – progress and next steps, (iii) industry location and supply chains in the CEFTA region and (iv) trade facilitation in the Western Balkans. The second day continued with the meeting of the CEFTA Forum of Chambers of Commerce and the presentation of the CEFTA Trade Portal performances and updated features.

The Report on the highlights from the CEFTA Week 2011 will be published beginning of 2012 and made available on the CEFTA Secretariat website.

#### 2.14. Fifth Joint Committee Meeting

Fifth Joint Committee meeting was held in Paris on 23 November 2011. The ministers and authorized representatives from eight CEFTA Parties gathered to discuss: (i) the implementation of the Agreement and Chairmanship Programme for 2011; (ii) the functioning of the CEFTA Secretariat in the last 12 months; (iii) priorities for the next Chairmanship in Office.

The Joint Committee endorsed the Ministerial Conclusions and Decision on Notification of State Aid Schemes according to Article 21.

#### III CONCLUSIONS AND RECOMMENDATIONS FOR THE CHAIR IN 2012

In the period of 1 January to 31 December 2011, the implementation of the CEFTA Agreement as well as the functioning of the CEFTA Structures can be deemed satisfactory. All the proposed objectives in the Chairmanship Programme for 2011 were accomplished, deadlines respected and results transparent and adequate.

All the CEFTA bodies prepared and held the regular meetings. A number of roundtables, workshops and promotional events were organised to contribute to the better understanding of specific issues of the Agreement. The significant efforts have been employed to improve the image of the CEFTA region as well as to enhance the cooperation with the private sector.

Based on activities and conclusions from the CEFTA bodies in 2011, here are several key issues to be followed in 2012:

- 1. Assessment of impacts of the achieved liberalisation of trade in agricultural products
- 2. Potential launching of the negotiations in trade in services
- 3. First cycle of the MMF Assessment of the NTBs affecting final products
- 4. Enhanced transparency and conclusion of mutual recognition agreements in SPS area
- 5. Cooperation among national accreditation bodies and signing of ACCA for mutually agreed products
- 6. Exchange of data between CEFTA customs authorities, simplification of customs procedures and reduced formalities imposed on trade

### Annex 1: CALENDAR OF MEETINGS AND EVENTS in 2011

CEFTA Meeting/Event	Date	Location
Third CEFTA Secretariat Steering Committee	11 March	Brussels
Third Meeting of the Working Group on TBT	19 April	Belgrade
Third Subcommittee Meeting on Customs and Rules of Origin	19 - 20 May	Tirana
Fourth Subcommittee Meeting on Agriculture and SPS	24 May	Brussels
Third Subcommittee Meeting on TBT and NTBs	2 – 3 June	Sarajevo
Third CEFTA Deputy Ministers Meeting	30 June	Pristina
Special Joint Committee Meeting	8 September	Brussels
Third Working Group Meeting on Trade Liberalisation in Services	15 September	Pristina
First CEFTA Trade Portal Task Force Meeting	15 September	Pristina
CEFTA Origin Network Meeting	27 September	Tirana
Second CEFTA Trade Portal Task Force meeting	2 November	Budapest
Fourth Subcommittee Meeting of TBT and NTBs	3 November	Budapest
CEFTA Week 2011	22-23 November	Paris
Fifth Joint Committee Meeting	23 November	Paris