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#### INTRODUCTION

During the past several years, CEFTA priorities have been widened in line with the progress of CEFTA Parties recorded in their national EU accession processes, as well as the deepened agenda for the implementation of CEFTA.

Having in mind new challenges for CEFTA, existing structure was defined as limited primarily because of a need to strengthen the role and involvement of the Ministries responsible for trade in CEFTA. The coordination capacity of the Ministries responsible for trade were considered limited. On the other hand, the priorities such as trade facilitation and liberalisation of trade in services require high level coordination. The CEFTA structures were substantially compartmentalised by the areas the structures were mandated and each line Ministry responsible for such areas have been in the lead rather than Ministries responsible for trade which has overall responsibility for coordination in trade and implementation of CEFTA.

Thus, Ministries of Trade have had difficulties to coordinate and to steer the contributions of other relevant Ministries to the implementation of CEFTA.

This is the reason why CEFTA Parties deemed necessary to institutionalise the CEFTA Contact Points which have so far been playing substantial positive role in facilitating the implementation of CEFTA but though their personal capacities.

Taking into account all mentioned above, CEFTA Ministers responsible for trade, during the Joint Committee Meeting on November 26, 2015 in Chisinau, have endorsed CEFTA Ministerial Decision No 1/2015 on the establishment of CEFTA bodies.

In accordance with this Decision, the following bodies are established to assist the Joint Committee:

- Committee of Trade Facilitation
- Committee of Contact Points
- Subcommittee on Non-tariff Measures and its working groups as below:
  - Working Group on Technical Measures
  - Working Group on Risk Management
  - o Working Group on Electronic Exchange of Information
- Sub-committee on Agriculture including Sanitary and Phytosanitary Issues
- Sub-committee on Customs and Rules of Origin
- Subcommittee 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
  - o Joint Working Group on Mutual Recognition of Professional Qualifications

#### 1. THE COMMITTEE AS PART OF CEFTA STRUCTURES

## 1.1. Mandate of the CEFTA Committee of Contact Points as determined by the CEFTA Ministerial Decision 1/2015

The following areas have been determined as the main mandate of the CEFTA Committee of Contact Points which was established by the Joint Committee Decision No 1/2015:

- 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.
- ii. 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;
- iii. In performing the tasks above mentioned each Contact Point will perform the following specific tasks at the national level in each CEFTA Party:
  - a) Preparation and Follow-up of Official Meetings of CEFTA Structures at the National Level in Each CEFTA Party;
  - b) Central Coordination of Official CEFTA Information Flows;
  - c) Monitoring of Implementation of CEFTA Ministerial Conclusions and Decisions;
  - d) Liaison with CEFTA Secretariat;
  - e) Development of Trade Related Capacity Across Administration;
  - f) Promotion of CEFTA among Key Stakeholders;
  - g) 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 which are to be administrated by the CEFTA Secretariat and an up-to-date

- CEFTA page on the ministry responsible for trade website with relevant information and links to the main CEFTA website and other trade related sites;
- h) 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.

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 1.1., which provides tasks of each Contact Point to be carried out at the national level in each CEFTA Party.

### 1.2. CEFTA Ministerial Conclusions of 2015 in relation to trade facilitation and Committee of Contact Points

In the meeting of 26<sup>th</sup> of November 2015, CEFTA Ministers decided to adjust the CEFTA structures with the aim of responding to the CEFTA priorities and to strengthen the monitoring capacity of CEFTA structures of the implementation of the CEFTA 2006 Agreement, as well as their reporting of implementation results to the CEFTA Joint Committee.

Furthermore, CEFTA Ministers of Trade recognised the priorities in implementation of CEFTA requires a high level coordination between CEFTA Structures and RCC and other relevant regional organizations; between CEFTA structures and the relevant national authorities of CEFTA Parties; and effective inter-Ministry coordination in each CEFTA Party, they have decided to adjust the CEFTA Subcommittees and amend their Terms of References. In this regard, it is expected that each CEFTA Party undertake the necessary measures to strengthen the institutional capacity of its CEFTA Contact Points in line with the relevant Ministerial Decision adopted by this meeting.

#### 2. OBJECTIVES OF THE CHAIRMANSHIP

Montenegro has identified the objectives of its Chairmanship of CEFTA Committee of Contact Points as follows:

- 1. To contribute to the smooth implementation of CEFTA through better coordination among national institutions and between CEFTA Structures;
- 2. To raise the public awareness on CEFTA, including both public and private sectors, in the implementation of the Agreement.

#### 3. PRIORITIES OF THE CHAIRMANSHIP

The Chairmanship of Montenegro has identified two objectives for 2016 in regard to the Committee of Contact Points as follows:

#### **Objective 1: Smooth implementation of CEFTA**

# <u>Priority 1: Strengthening coordination between national institutions in charge of the implementation of the Agreement</u>

One of the main open issues in the CEFTA implementation is coordination among national institutions. Often, there was a lack of information on CEFTA JC Decisions adoption or implementation, activities taken within CEFTA, or training conducted. Therefore, one of the priorities within the Montenegrin chairmanship will be the establishment of a deeper relation between all institutions in charge of the implementation of CEFTA at the national level.

# <u>Priority 2: Creation of a reporting mechanism to inform CEFTA Joint Committee on the</u> implementation of the CEFTA Ministerial Decisions, Conclusions and Recommendations

On the CEFTA Joint Committee Meeting held in November in Chisinau, new CEFTA structure were establish in order to create result oriented structure. Namely, so far, there was no mechanism to inform CEFTA structures on the implementation of the Agreement on the national level. Therefore, Montenegro as the Chair, will introduce a reporting mechanism within the framework of the Committee on Contact Points.

#### Priority 3: Establishment of a liaison with the CEFTA Secretariat at the national level

In the event of organization of the CEFTA activities in the respective CEFTA Parties, usually problem with communication would occur. Namely, flow of information was not always well addressed. That is the reason why Chair is planning to introduce a daily basis communication mechanism between national Ministries of Trade, as the main institution in charge of CEFTA implementation on national level, and the CEFTA Secretariat.

#### Objective 2: Raising of the public awareness on CEFTA

#### Priority 4: To promote CEFTA among key stakeholders

The main CEFTA key stakeholders at the national level are not always fully aware of correlating of their daily activities with the priorities of CEFTA implementation. Therefore, the Committee through the national CEFTA Contact Points, will promote CEFTA, its achievements and opportunities and other trade related issued across the administration and to the wider community.

#### Priority 5: To outreach the private sector in relation to CEFTA

The private sector will play an important role in the implementation of Chairmanship Programme of Montenegro. Montenegro as the Chair in Office wishes to give an additional momentum outreaching private sector not only increasing their awareness of CEFTA but also directly requesting them take up more participatory actions in the monitoring of the implementation of CEFTA.

#### 4. ACTIVITIES OF THE CHAIRMANSHIP

### **Objective 1: Smooth implementation of CEFTA**

<u>Priority 1: Strengthening coordination between national institutions in charge of the implementation</u> of the Agreement

# Activity 1: To coordinate the implementation of CEFTA in each CEFTA Party through other officially appointed CEFTA Contact Points established by the CEFTA Structures

Montenegro attaches greater importance to strengthen the implementation of the Agreement, as it is deepened into the areas such as trade facilitation and liberalisation of trade in services, which require stronger coordination among Ministries in CEFTA and interaction between national and regional agendas in a consistent manner.

All national CEFTA Contact Points within the respective Ministries in charge of trade, will have daily communication with other institutions directly in charge of CEFTA implementation, such as Ministry of Agriculture, Ministry of Finance, Customs Administration, Sanitary and Phytosanitary Administrations, etc. Thus, CP will oversee the participation of the CEFTA Party in all meetings of CEFTA structures.

Therefore Contact Points will be distributing all follow-ups and official papers of the CEFTA meetings to the respective institutions. Furthermore, they will be in charge of coordination of the preparation process of the formal national positions as well as gathering all inputs as required by CEFTA structures for decisions, position papers and formal requests for technical assistance. Also, CP will be representing the CEFTA Party at CEFTA related meetings where appropriate e.g. selected SEE 2020 meetings.

In order to meet all the requirements on the national level mentioned above, Committee will be focused on establishing/strengthening the coordination mechanism on the national level. Namely, in each Ministry dealing with trade policy, a coordinator will be nominated to be in charge of informing CEFTA Contact Point on the ongoing activities and progress made in the framework of trade facilitation. Meeting among coordinators and the national CEFTA Contact Points will be organised as needed. Committee will work on defining the reporting mechanism from the coordinators towards CEFTA Contact Points and on all information to be reported on the activities conducted within the all CEFTA structures.

#### Activity 2: Committee to be a central coordination point of the CEFTA implementation

The Contact Point will act 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. All information/requirements coming

from the CEFTA Secretariat, and all international organisations in relation to the Agreement, towards each CEFTA Party, will be communicated through the national CEFTA Contact Point, and vice versa.

Furthermore, the Committee will be devoted to strengthen the position of the national Contact Points who needs to be exclusive focal point for the all information flow from the respective CEFTA Party to the CEFTA Secretariat and vice versa.

# <u>Priority 2: Creation of a reporting mechanism to inform the CEFTA Joint Committee on the</u> implementation of the CEFTA Ministerial Decisions, Conclusions and Recommendations

# Activity 3: To provide regular information flow toward CEFTA Joint Committee on the activities implemented on national level in the framework of the CEFTA implementation

Monitoring the implementation of CEFTA Structures by CEFTA Joint Committee is very much dependent on the receiving reports of the results of the implementation of CEFTA. Due to the nature of the priorities and actions in the previous period, the reports in CEFTA have so far been activity based. Montenegro, as Chair of the Committee, will do its best efforts to introduce result based reporting by the CEFTA structures to the CEFTA Joint Committee.

Thus, the Chair in Office will instruct the relevant CEFTA Structures to propose what tools for monitoring of implementation will be developed on the basis of international standards and methodologies. Furthermore, it should be discussed what kind of information would be reported.

Afterwards, if any data available and prepared for reporting by the end of 2016, Committee would report CEFTA Joint Committee, during the annual Ministerial meeting in November, on the activities undertaken with the purpose of smooth implementation of the Agreement and the SEE 2020 Strategy, on the national level of each CEFTA Party.

### Priority 3: Establishment of a liaison with the CEFTA Secretariat at the national level

#### Activity 4: To strengthen the daily communication with staff of the CEFTA Secretariat

During 2016, in accordance with the Ministerial Decision 1/2015, it is planned for Contact Points to strengthen their position of main national contact centre for the CEFTA Secretariat Contact Points will be closely involved in the organisation of all CEFTA structures' meetings in the respective Party. Therefore, Contact Point will be daily interlocutor for the CEFTA Secretariat in each CEFTA Party, especially in regard to the ensuring the provisions of data for the CEFTA website, organisation of any CEFTA meeting that take place in that structure, overall coordination of delivery of CEFTA funded technical assistances and capacity building programmes.

In close cooperation with the Secretariat, Committee should decide to improve the existing information flow and to facilitate dissemination of communication in CEFTA structures. In that framework, information form flow should be agreed. Namely, it is necessary to adjust the content of

the existing reporting form as well as periods of the reporting regarding the activities undertaken in CEFTA.

Objective 2: Raising of the public awareness on CEFTA

Priority 4: To promote CEFTA among key stakeholders

Activity 5: To promote visibility of CEFTA

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 issued across the administration and to the wider community. Key stakeholders, such as Prime Minister's Office, Ministry of Foreign Affairs, Ministry of Finance, NIPACs, Line ministries, should be aware of all advantages of the CEFTA and be informed on all activities taken under the framework of the Agreement.

In the year to come, the Committee will be a platform to discuss how 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.

Priority 5: To outreach the private sector in relation to CEFTA

Activity 6: To ensure greater knowledge of CEFTA and its potentials

Montenegro will undertake necessary steps to institutionalise public-private sector dialogue in the implementation of CEFTA. During its chairmanship, within the Committee it will be discussed on the most feasible methods and structures within CEFTA to run the dialogue with the private sector in to collect their feedback and advices regarding the implementation of Agreement.

During the 2016, within the framework of the Subcommittee, it will be discussed how to initiate a comprehensive campaign in private sector in order to undertake activities to explore how the private-public sector dialogue in CEFTA can be institutionalised.

5. EXPECTED RESULTS

Taking into account all objectives, priorities and activates mentioned above, the outcomes of the Montenegrin Chairmanship over the Committee are expected to be as follows:

**Objective 1: Smooth implementation of CEFTA** 

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- 1. Contact Points institutionalised within the national governments;
- 2. Coordination mechanism between institutions in charge of the CEFTA implementation in place;
- 3. Mechanism of the regular reporting on the implementation of the Agreement to the Joint Committee discussed and adopted.

### Objective 2: Raising of the public awareness on CEFTA

- 1. All national stakeholders regularly informed on the activities within CEFTA;
- 2. Private sector aware of the potential of CEFTA.
- 3. To support private sector to be involved in the CEFTA implementation process.

#### 6. RISKS AND ASSUMPTIONS

The Chair predicts that that the following issues could appear without possibility to be controlled and therefore may endanger predicted results:

- Each CEFTA Party remains committed to the CEFTA process and its provisions;
- Coordination with all national institutions in charge of the implementation of the Agreement is made timely by the ministries in charge of trade;
- International donors remain committed to support financially the CEFTA.

### 7. CALENDAR OF EVENTS

The tentative calendar for the year 2016 is as follows:

| MEETING/EVENT  | DATE             | PLACE     |
|--|------------------|-----------|
| 1 <sup>st</sup> Meeting of the Committee of Contact Points | January 22, 2016 | Brussels  |
| 2 <sup>nd</sup> Meeting of the Committee of Contact Points | June 2016        | Podgorica |
| 3 <sup>rd</sup> Meeting of the Committee of Contact Points | November 2016    | Podgorica |