



REPUBLIC OF ALBANIA
GENERAL CUSTOMS DIRECTORATE

CEFTA
Work Programme of the
Subcommittee on Customs and
Rules of Origin

JANUARY - DECEMBER 2011

January 2011

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1. INTRODUCTION

1.1.Mandate and scope of the Subcommittee

The CEFTA Subcommittee on Customs and Rules of Origin established by the Joint Committee Decision No. 3/2007, has for the task facilitation to simplify and facilitate customs procedures and reduce, as far as possible, the formalities imposed on trade. In particular, it shall further rapid implementation of the common rules of origin in all the Parties in line with Article 14 of the Agreement.

Its main mandate is to:

- Exchange and discuss information on a regular basis on measures to simplify and facilitate customs procedures in the region.
- Facilitate for customs authorities to cooperate in setting up integrated border management systems, single windows and data harmonisation in the region;
- Exchange information on measures to maintain the integrity and the efficiency of the respective customs services;
- Cooperate with on-going and future international programmes to ensure their full benefit
- Ensure harmonised implementation of common rules of origin with a view to *inter alia* enabling diagonal cumulation of origin
- Exchange information on a regular basis on the implementation of rules of origin;
- monitor and discuss how the Parties implement provisions regarding rules of origin and administrative co-operation;
- Discuss measures to control and ensure the validity of certificates of origin;
- Further dialogue with appropriate business organisations so traders are informed of procedures involved in obtaining certificates of origin;

The senior civil servants responsible for customs issues from the CEFTA Parties hold one meeting per year, but can meet on an *ad hoc* basis if needed.

1.2.Coordination with other CEFTA Structures

The chairmanship of the Subcommittee is taken on a rotational basis with the tenure of office of one calendar year. In line with these rules, Albania has assumed the Chairmanship of the Subcommittee since 1 January 2011.

According to its mandate, the Subcommittee communicates regularly with two other Subcommittees established under CEFTA: on Agriculture and SPS and on TBT and NTBs in order to avoid duplication of efforts in many overlapping areas of activities.

Albania as a Chair of the Subcommittee for this year is committed to enhance its coordination with other CEFTA Structures and especially with the Subcommittee on NTBs with the aim of reduction and elimination of non tariff barriers that hamper the inter-

regional trade. This will be particularly important in 2011, when it is expected that the monitoring instrument on NTBs, developed and approved by the Parties in 2010, is to be implemented.

2. OBJECTIVES OF THE CHAIRMANSHIP

The Chair of the Subcommittee introduces several key priorities for this year and will continue on the activities from the previous years in the area of customs and rules of origin:

2.1. Use of existing IT (e-Mail, scanner) for the verification (proofs of origin) procedure and unify and simplify verification requests and answer

The advantages in the use of the electronic handling of verification requests and answers are the quicker handling of verification work, reduce of paperwork, no or reduced charges for postal services, fast refund of guarantees and quicker identification and collection of outstanding duties.

Unified (layout) and simplified (avoidance of not necessary explanations) verification requests and answers will make the verification procedure faster and more effectively.

2.2. Explanatory notes for the purpose of the CEFTA protocol of origin

Explanatory Notes for some articles in the CEFTA origin protocol should be elaborated to support Customs and Economic Operators for a clear and harmonized use. Especially practical examples shall explain the origin protocol more in detail. The Explanatory Notes shall be available in all languages of the CEFTA member states and published on the websites of CEFTA Customs administrations and the CEFTA Trade Portal (section on customs).

2.3. Instalment of a permanent “CEFTA origin network” to be prepared for the PanEuroMed meetings and represent the specific interests of the CEFTA Parties .

The PanEuroMed working group started a revision of the origin protocol (Convention) to make simpler and more liberal rules and rules responding to traders' needs (new technological developments and their industrial production processes and capabilities). The work relating origin rules (origin list) is split up in 4 regional working groups and one of these groups are the Western Balkan Countries.

To represent the specific interests of the CEFTA Parties an origin network between persons, having a large experience in coordination of technical discussions on Rules of Origin, of all CEFTA Parties should be installed.

It is suggested that the persons of the “CEFTA origin network” use IT (eMail - valuable tool to exchange views) for their communication and coordination. If necessary internal meetings can be organised e.g. directly in Brussels before the PanEuroMed meetings.

2.4. Identification and elimination of non-tariff barriers in customs

Recognizing the damaging effects of persistent and diversified non-tariff barriers to intra-regional trade, the Chair is ready to address this issue timely and adequately in the year of its chairmanship.

Although the Matrix on Raised Issues shows that the share of customs related non-tariff barriers is quite low in comparison to the others such as SPS or TBT, the commitment of all the CEFTA Parties to eliminate them in the near future compels the Subcommittee on Customs and RO to approach this task diligently.

During its Chairmanship the Subcommittee will closely liaise with other two CEFTA structures in particular the Subcommittee on NTBs and TBT to exchange the information on NTBs and to participate as a representative at the meetings of the Subcommittee on NTBs in order to report on developments.

In the same context, the Chair calls its members to take active involvement in the process of monitoring the elimination of customs related NTBs which will start in 2011 with the cooperation of OECD.

2.5. Experience sharing and transparency

In accordance with the Annex 5 of the Agreement on Mutual Assistance the Chair will give due attention to the system of permanent exchange of information in the area of customs matters.

Albania as a Chair of the Subcommittee on Customs and RO will dedicate its efforts to update regularly the CEFTA Trade Portal (section on customs). The use of the Portal by the business community and government officials throughout the region was quite high since its launching in November 2010 and informing the interested parties on the latest developments in this area is in the best interest of all CEFTA Parties involved.

Following the main purpose of the Subcommittee serving as a forum for discussions, the Parties are encouraged to share their views and opinions on various matters of mutual interest related to agricultural and sanitary and phytosanitary matters.

3. TECHNICAL ASSISTANCE AND RELATED REGIONAL PROJECTS

The implementation of the Work Programme for 2011 will require the active participation of all the CEFTA Parties, and will be supported adequately by the technical tailor-made assistance.

3.1. Identification of common areas that require technical assistance

The CEFTA Parties should use (compare) their Customs blueprints to find out common areas which require technical assistance. The chair will encourage the discussion among customs administration, and not, only to identify the key areas of expertise and technical assistance in customs issues and rules of origin.

The World Bank *IFC Project on Regional Trade Logistic in SEE* is focused on trade facilitation and is funded by the European Commission. It will offer potential solutions to the CEFTA Parties on how to achieve simplification and harmonisation of procedures and documentation, integration of the risk management systems into border inspection and implementation of the Single Window systems. The project will be delivered in two phases, the first to be completed by the end of June 2012 and the second phase by the end of December 2013.

In the area of identifying and eliminating the non-tariff barriers to trade the regional project *Monitoring the Elimination of NTBs in the CEFTA Parties* run by the OECD team will support the activities of the CEFTA Parties. The project will address the administrative barriers to trade and other customs issues that could and do hamper the mutual trade. The objective is to ensure the independent monitoring of the elimination of NTBs, to effectively communicate and promote the findings of the monitoring to the relevant CEFTA structures and other stakeholders and to secure existence of a permanent and stable process of eliminating NTBs. The project will start in early 2011 with a total duration of two years.

The GTZ (*CEFTA 2006, Improving Opportunities for Trade*) will continue with supporting the maintenance and updating of the CEFTA Trade Portal in the following two years. This will significantly add to the enhanced transparency of customs regulation and legislation in the eight Parties to CEFTA.

4. EXPECTED RESULTS

The results of our Chairmanship are expected to lead to the immediate and to the intermediate and final outcomes.

Immediate outcomes

- Improvement of the existing network on custom issues and rules of origin
- Identification of priority sectors in collaboration with the Subcommittee on NTBs and TBT
- Self-assessment as a Monitoring Instrument tool

Intermediate and final outcomes

- Common actions and measures aiming the strengthening of the network on customs issues and rules of origin.

- Joint action under PanEuroMed initiative
- Identification of ways to reduce and eliminate NTBs on chosen priority sectors
- Recommendations to the Joint Committee measures to eliminate those NTBs that unnecessarily impede trade
- Regular update the CEFTA Trade Portal

5. CALENDAR OF EVENTS

The tentative calendar for the year 2011 is as follows:

MEETING/EVENT	DATE
Meeting of the Subcommittee on Customs and Rules of Origin	May (20)
Participation at the meeting of the Subcommittee on NTBs and TBT	June 2011