



CEFTA

Central European Free Trade Agreement



17th JOINT COMMITTEE MEETING

Chair's Conclusions

6 December 2023

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The Joint Committee (JC) meeting was held on 6 December 2023 in Podgorica, chaired by Ms. Jovana Kronic, Acting General Director for International Trade and Economic Cooperation, Ministry of Economic Development of Montenegro, in her capacity as a Chair in Office.

These Chair's Conclusions reflect the Draft Ministerial Conclusions submitted to the CEFTA Parties prior to the JC meeting and discussed during the CEFTA Contact Points and Joint Committee meetings, held 6 December 2023.

1. Parties welcomed the Conclusions of the Chair of 2023 Berlin Process Tirana Summit (16 October 2023, Tirana) commending the CEFTA on implementation of the Common Regional Market (CRM) Action Plan and expressed full support to investing additional efforts in order to ensure significant progress until 2024 Berlin Summit. In particular, Parties supported the conclusions from 2023 Berlin Process Meeting of Economy Ministers (26 September 2023, Tirana) emphasizing the role of the economic integration through the Berlin Process as an important instrument for accelerating the economic convergence with the European Union (EU) and calling for the swift implementation of agreed Decisions. Parties committed to delivering the list of the CEFTA commitments provided in the annex of the Chair's Conclusions.
2. Parties welcomed the New Growth Plan for the Western Balkans as proposed by the European Commission with a view to accelerate economic convergence with the EU by enhancing economic integration with the EU Single Market subject to implementation of the Common Regional Market. Parties expressed satisfaction for recognition of importance of CEFTA's role in delivering CRM activities.
3. In relation to the future of the Common Regional Market, Parties instructed the CEFTA Secretariat to provide an assessment of the implemented activities and a proposal of the new measures seeking further regional economic integration, beyond 2024. Parties also called the Secretariat to closely cooperate with the Regional Cooperation Council and WB6 Chamber Investment Forum and the Chamber of Commerce and Industry of Moldova to this end.
4. Parties welcomed application of the Decision of the Joint Committee of the Central European Free Trade Agreement No. 1/2021 amending Annex 4 of the Central European Free Trade Agreement (CEFTA 2006), setting out the Protocol Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation referred to in Article 14, paragraph 1 and 3, and repealing and replacing Decision No. 3/2013 and Decision 3/2015 as of 1 February and undertook to follow further developments in the area of rules of origin with a view to enable

permeability between the PEM Convention and the transitional rules of origin and acceptance of e-Certificates.

5. Parties welcomed the progress achieved in the implementation of the CEFTA Customs Risk Management Strategy and praised finalisation of discussions on the draft Decision on the establishment of an electronic system to facilitate risk-management for trade in goods designed to support the Parties customs administrations in sharing data related to customs-related risks. Parties also praised the cooperation between the customs and other agencies involved in the process of clearance of goods advanced by executing joint actions and invited them to strengthen, formalise and broaden it by creating an adequate framework.
6. Parties welcomed the progress achieved in the implementation of the Decision of the Joint Committee No. 1/2020 on Facilitating Trade for Fruits and Vegetables reflected in the endorsement of the common List of fruit and vegetables requiring phytosanitary certificates and five contingency plans. Parties are urged to continue enforcing the measures envisaged by the Decision leading to finalising the risk-based approach for phytosanitary and food safety controls for regulated fruit and vegetables, and supporting reduction of checks, while improving plant health and food safety and increasing trade among the Parties.
7. Parties welcomed the enhanced cooperation between CEFTA and Food and Agriculture Organization (FAO) and encouraged the Secretariat to undertake the necessary activities to finalize the cooperation framework through a Memorandum of Understanding.
8. Parties noted the limited progress in facilitating trade in industrial products. The Parties are invited to continue constructive engagement with a perspective that the recognition programme outlined in the draft decision on recognition of the conformity assessment, based on the relevant EU acquis, is delivered in the course of 2024. Recognising significant economic benefits and its relevance for benefits under EU New Growth Plan, Parties committed to prioritize this activity in course of 2024.
9. Parties acknowledged the important role that all the agencies involved in the process of clearance of goods could play alleviating trade complexities and encouraged them to continue the activities on harmonisation of working hours with a view to reducing unnecessary delays.
10. Parties commended the efforts undertaken by the CEFTA Parties and the CEFTA Secretariat in the successful implementation of Green Lanes/Corridors. Parties strongly endorsed the continuation of these efforts and welcomed the inclusion of perishable goods and AEOs within the scope of Green Lanes, effective January 1, 2024. Acknowledging the vital support from Greece, Italy, and Croatia, Parties expressed the gratitude for the Conclusions of the Chair at the 2023 Berlin Process Tirana Summit (16 October 2023, Tirana). These Conclusions wholeheartedly endorsed the Joint Transport Community-CEFTA Declaration on 'Taking forward the Green Lanes,' issued at the Connectivity Summit in Budva on 15 and 16 May. Additionally, Parties appreciated the ongoing efforts outlined in the Roadmap for Green Lanes, and called for enhanced trade facilitation efforts within CEFTA.
11. Acknowledging the substantial influence of digitalization on trade efficiency and security, Parties commended the establishment of the CEFTA central databases for authorized economic operators and unsafe/non-compliant products detected on the CEFTA market. Parties endorsed the

utilization of these databases to strengthen a resilient and collaborative framework, fostering continuous improvement through collaborative efforts, digitalization, and capacity-building initiatives.

12. Moreover, Parties acknowledged the establishment of CEFTA TRACES NT, facilitating the exchange of veterinary health certificates, phytosanitary certificates, and common health entry documents. In light of these advancements, Parties are encouraged to adopt paperless trade, recognizing its potential to expedite processes, reduce costs, and enhance the security of trade transactions. Additionally, Parties endorsed the development of the CEFTA Notification system, enabling the swift exchange of information on non-compliant consignments.
13. Parties called the remaining Parties to swiftly complete their internal procedures so the Additional Protocol 5 (AP5) and Additional Protocol 6 on Trade in Services (AP6) could enter into force in all CEFTA Parties, providing benefits to all people and businesses in CEFTA. Parties also took note of the review of the CEFTA AP6 based on the Article 20 of this Protocol.
14. Chair invited the Parties to create proper conditions for adoption of all remaining CEFTA decisions.
15. Parties supported the efforts to continue the implementation of the e-commerce package Decisions and welcomed GIZ's support to ensure that the Parties are ready and complying with the new rules. Parties are called to swiftly implement these Decisions in order to tap into the benefits of the EU New Growth Plan.
16. Parties welcomed the conclusion of the technical discussions on Decision on services provided by travel agencies and tour operators and called for the Subcommittee on Trade in Services to present the draft for adoption in the first half of 2024.
17. Recognising the importance of the movement of natural persons for trade in service, Parties reiterated the appeal to Bosnia and Herzegovina to swiftly complete internal consultations with a view of providing feedback on the draft of the Decision from June 2021. Parties also invited Subcommittee on Trade in Services to complete technical discussions on this draft efficiently and present it for adoption in the first half of 2024.
18. Parties welcomed the agreement on the Terms of Reference of Joint Working Group on Recognition of Professional Qualifications and instructed the Secretariat to prepare the draft Joint Committee Decision amending the existing Terms of Reference. In order to enable additional benefits to the holders of the qualifications which do not meet EU standards, Parties invited the Subcommittee on Trade in Services to propose extension of the scope of the draft Joint Committee Decision on the Disciplines Establishing a General System for the Recognition of Professional Qualifications by adding 7 professions from the agreements signed in Berlin (3 November 2022) and Tirana (16 October 2023).
19. Parties welcomed the development of the Roadmap for the Facilitation of the Motor Third Party Liability Insurance, and invited the Subcommittee on Trade in Services to endorse the Roadmap in the first half of 2024.
20. Parties welcomed the progress on non-bank payment services, including the initiative to enable inter-Party QR initiated payments based on the World Bank recommendations, where CEFTA has

been recognized as a governance body for its implementation. In relation to the discussion on facilitation of supply of services through cooperation on licensing, Parties reiterated obligations and cooperation opportunities provided by AP6, in particular its Articles 10 and 11.

21. Parties reiterated commitments to comply fully with the transparency requirements under AP6 by establishing an effective notification mechanism and complete the update of the relevant laws, regulations or administrative guidelines in services sectors that has started under the 2023 Montenegrin Chairmanship. Parties encouraged continued cooperation and long-standing partnerships with other international and regional organisations in this regard.
22. Recognising the importance of the CEFTA framework for intellectual property, Parties are called to support future cooperation with EU Intellectual Property Office with a view to achieve deeper market integration and use of IP assets for economic growth.
23. Parties commended the significant progress achieved in the negotiations on the CEFTA Dispute Settlement Mechanism, so far referred as the Additional Protocol 7 on CEFTA Dispute Settlement, seeking to deliver formal rules and procedures for the settlement of trade disputes between the Parties. Parties are urged to continue with the constructive approach in negotiations with a view of closing the remaining open issues and completing the process by the first half of 2024, taking note of the support that is provided by EC and UNCTAD in the implementation of the agreed Protocol.
24. Parties took note of progress in the technical discussions on the Decision on Enhancing Cooperation on Trade-related Statistics among CEFTA Parties and Parties called on the Working Group on Trade in Services, FATS and FDI statistics and the Subcommittee on Trade in Services to finalise the text and present the draft for adoption in the first quarter of 2024.
25. Parties welcomed the technological and functional upgrade of the CEFTA Transparency Pack and Statistical Portal. Parties are urged to establish adequate mechanism to keep data regularly updated with a final goal of increasing transparency and ensuring credibility of tools built.
26. Parties recognized the importance of upgrading the Market Access Barriers Database (MABD). Parties encouraged the Secretariat and UNCTAD to continue efforts in drafting and consolidating the technical recommendation to improve the functionality of the MABD.
27. Parties welcomed the cooperation with the businesses, civil society organisations and academia requesting the expansion of such cooperation considering the new policies stemming from the implementation of the CEFTA Additional Protocols and Joint Committee Decisions.
28. Parties instructed the CEFTA Secretariat to speed up the procedure for the recruitment of the new Director of the CEFTA Secretariat in order to have timely and smooth transition of the management.
29. Taking into account the importance of the role of the CEFTA Secretariat, and the implementation of the EU Action Grant Parties took note of the annual budget of Secretariat for 2024 in the amount of 1,198,000.00 EUR as agreed by the Joint Committee in the Decision 1/2018 on the Functioning of the Secretariat.

On the request of Kosovo* regarding its representation in CEFTA and based on the positions of the Parties' expressed in the meeting, Chair concluded that the consensus on the Kosovo*'s request was not reached.

Due to the lack of consensus Joint Committee Decisions and the Joint Committee Conclusions were not adopted.

Issued in Podgorica, on 6 December 2023.

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