WORK PROGRAMME FOR THE CEFTA CHAIRMANSHIP 2015

Republic of Moldova Ministry of Economy

January 2015

I OVERAL OBJECTIVE

As set out in the CEFTA 2006 Decision No.1/2007 Rules of Procedure (Article 3), Moldova will take over the Chairmanship of the CEFTA 2006 from Macedonia in January 2015. The Chairmanship is taken on rotational basis with the tenure of office of one calendar year.

The implementation of the South East Europe 2020 Strategy (SEE 2020) is in the second year of its implementation. The Moldovan Chairmanship will devote utmost attention that the implementation of the CEFTA Agreement and its Chairmanship priorities are coherent and complementary with the objectives set by the Integrated Growth pillar.

As a result, the focus of 2015 will be placed on promoting the regional trade and investment linkages and policies that are non-discriminatory, transparent, and predictable and that enhance flow of goods, investment, services and people within the CEFTA Region. The Chairmanship of Moldova will make its best efforts to contribute to further integration of the Region into the European and global economy through participation in the international supply chains, grounded on improved international competitiveness of national economies and backed by deepened regional trade and new investment. These objectives will be the follow-up of the actions taken by the previous CEFTA Chairmanships and be fully in consistent with the EU Enlargement process of which the majority of CEFTA Parties undergo.

II PRIORITIES OF THE CHAIRMANSHIP FOR 2015

Having regard to the above mentioned overall objective, Moldova has determined the following as the priorities of its Chairmanship in 2015 in the corresponding dimensions of the Integrated Growth Pillar.

Free Trade Area:

i) Further liberalisation of trade in services and trade in agricultural goods

ii) Facilitation of trade through simplification of trade related procedures and addressing non-tariff measures

iii) Facilitation of free flow of investment through coordination of investment policies and better protection of investment and investors

iv) Facilitation of free movement of experts, professionals and skilled labour

Integration into Global Economy

v) Improve market access through completing a single diagonal cumulation zone under the Pan-European Mediterranean Convention (PEM) which is to include all CEFTA Parties

vi) Enhance participation in regional supply chains and global supply networks

As a horizontal priority,

vii) Sustaining synergy between implementation of CEFTA and the SEE 2020

viii) Capacity building in trade policy formulation, coordination, and implementation

ix) Creating National Experts Programme in the CEFTA Secretariat

Free Trade Area:

I) Further liberalisation of trade in services and trade in agricultural goods

1. Liberalisation of intraregional trade in services by reducing restrictive measures and policies

Moldova is fully committed to build on efforts made by its predecessor, Macedonia in reaching the progressive liberalisation of trade in services amongst the CEFTA Parties. The end goal is to accomplish the same level of openness across the services sectors thus contributing to the greater attraction of investment in the region as a whole. With these objectives in mind, Moldova has an ambitious task together with all CEFTA Parties to launch negotiations in at least five services sectors and hold four negotiating sessions in 2015.

Joining efforts with international and regional partners, Moldova will work on improving the quality and uniformity of trade in services statistics. In 2015, it is envisaged that the review of available trade in services statistics in the region is conducted as well as a system on regular reporting on services data set up and operational.

Moreover, the Chair in Office will proactively work on identifying frequent barriers in trade in services among Parties and propose measures for its elimination. The special attention will be given to the enhancement of transparency of the CEFTA Parties' policies, laws and regulations and administrative practices effecting trade in services.

To implement priorities embedded in the CEFTA Agreement and SEE2020 Strategy with regard to the trade in services, the Chair will use the good offices of the Subcommittee on Trade in Services¹ established by the Ministerial Decision No.3/2014 and its subordinate bodies Negotiating Group on Trade in Services and the Working Group on Trade in Services Statistics.

2. Liberalisation of trade in agricultural products by eliminating remaining quotas

The priority of the Chairmanship in 2015 is to ensure the proper implementation of ratified Additional Protocols in 2011 and 2014 that enabled the 'zero tariffs' regime in the region. The technical assistance will be secured to help Parties closely monitor the effects and impacts of the liberalisation on further trade in region as well as global impact on their economies.

¹ At the Joint Committee meeting on 21 November 2014, the Ministerial Decision on Establishment of the SC on Trade in Services was adopted by all CEFTA Parties except Bosnia and Herzegovina, which made a reservation regarding (completion of) its internal procedure. This Work Programme is prepared under the assumption that BiH will complete internal procedures with regard to the adoption of the Decision No.3/2014 before 31 January 2015 when this document is to be published.

II) Facilitation of trade through simplification of trade related procedures and addressing non-tariff measures

The CEFTA Parties have also agreed that CEFTA Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and NTBs and Technical Barriers to Trade are to work under the objective of trade facilitation, and extend the scope of cooperation with each other while dealing with the different aspects of trade facilitation in relation to the areas under their mandates. Furthermore, CEFTA Parties have agreed to establish Committee of Trade Facilitation which the three Subcommittees will report to.

In the framework of this priority, the Moldovan Chairmanship is committed to conclude the negotiations of Framework Agreement on simplification of border inspections, data exchange, and mutual recognition of Authorised Economic Operators Programmes by the end of 2015 as expected by the CEFTA Joint Committee of 2014. In this regard, the Chair in Office will take its best endeavours to facilitate the coordination and cooperation between the Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and NTBs and Technical Barriers to Trade, and establish a fully functioning programming and reporting lines between these subcommittees and Committee of Trade Facilitation.

1. Negotiations of Framework Agreement on simplification of border inspections, data exchange and AEO

CEFTA Parties have agreed to launch negotiations for a framework agreement with the following scope:

- a. Simplification of inspections related to <u>all clearance procedures</u>, <u>and reducing</u> <u>formalities to the possible maximum extent</u>,
- b. Determining the <u>means and obligations of exchange of data between customs</u> <u>authorities</u> to the extent that each national legislation allows.
- c. <u>Recognising mutually national Authorised Economic Operators Programmes</u> in each CEFTA Party provided that both legislation and implementation of each national programme is fully in line with the relevant EU acquis.
- d. <u>Recognising EU Authorised Economic Operators</u> by each CEFTA Party

The negotiations of framework agreement are expected to start in January 2015 and to finish by the end of 2015. The negotiations are to be steered by the CEFTA Subcommittee on Customs and Rules of Origin, and require the involvement of all other technical agencies involved in the pre-clearance stages at the border. The involvement of other technical agencies is to be coordinated by Subcommittees on Agriculture and SPS, and NTBs and Technical Barriers to Trade.

The Moldovan Chairmanship will give its full support to the relevant CEFTA Subcommittees to conclude the negotiations successfully with the scope determined by the CEFTA Ministers.

2. Addressing the main trade distortive non-tariff measures

Although the elimination of tariffs in the intra-CEFTA trade has been succeeded by completing liberalising trade in agricultural goods, intra-CEFTA trade is not free from non-tariff measures. Addressing those non-tariff barriers, particularly the ones which are mainly distorting intra-CEFTA trade by impact, and analysing their legislative conformity with the

EU acquis and other international agreements and rules, is considered necessary to give a firm start to the trade facilitation related priorities of CEFTA.

Steering the efforts to address those most trade distortive non-tariff barriers and their analyses is undertaken by CEFTA Committee of Trade Facilitation, which is to be created by Joint Committee Decision to be adopted in November 2014. While overall coordination and steering to be made in the Committee of Trade Facilitation, technical discussions are to be made in the relevant CEFTA Subcommittees.

Under this priority, a project to be financed by GIZ will provide technical assistance for addressing and elimination of non-tariff measures in the selected supply chains. Furthermore, the CEFTA Project Facility would also be an additional tool to facilitate the work on addressing non-tariff measures in CEFTA.

The project is to be implemented by UNCTAD and ITC. The main objectives of the project are to identify the main trade distorting market access barriers in all stages (i.e. before the border, border and behind the border measures) and to provide recommendations for their eventual elimination. In the implementation of the project, the participation of private sector representatives is to be strongly encouraged, particularly in the stage of identification of market access barriers. Implementation of the Project is expected to start early 2015 and to last until mid 2016.

The contribution of private sector to the efforts related to addressing non-tariff measures is to be secured through extended dialogue with the private sector representative organisations. In particular, there will be private sector advisory groups in the framework of the project to be financed by GIZ which would be composed of the representatives of economic operators in the selected supply chains. These advisory groups will play a key role in identifying trade distortive non-tariff measures.

At the same time, CEFTA Subcommittee on NTBs and TBT will be the main focal point among other CEFTA structures to follow up the implementation of GIZ Project. In particular, Subcommittee on NTBs and TBT will actively contribute to the implementation of GIZ Project by engaging CEFTA Transparency Tools and sharing the information about the existing market access barriers with UNCTAD and ITC, the implementing organisations of the Project. In partlel CEFTA Subcommittees on Agriculture and SPS, NTBs and TBT, and Customs and Rules of Origin will play an active role in contributing to the GIZ project. As a horizontal issue, the transparency will have an important part of the overall efforts on eliminating distortive barriers to trade. Further updating and upgrading of CEFTA Transparency (MADB, SPS Database, TBT Platform and Trade Portal) will be in focus of Moldova Chairmanship.

3. Making the Committee of Trade Facilitation Fully Functional

The Chairmanship of Moldova attaches utmost importance to the smooth functioning of Committee of Trade Facilitation the establishment of which is agreed by the CEFTA Joint Committee of 2014². The Chairmanship will propose a consolidated programming and

² At the JCM meeting on 21 November 2014, the Ministerial Decision on Establishment of Committee of Trade Facilitation was adopted by all CEFTA Parties except Bosnia and Herzegovina, which made a reservation regarding (completion of) its internal procedure. This Work Programme is prepared under the assumption that BiH will complete internal procedures with regard to the adoption of the Decision No 5/2014 before 31 January 2015 when this document is to be published.

reporting by the Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and NTBs and TBT to the Committee.

III Facilitation of free flow of investment through coordination of investment policies and better protection of investment and investors

Moldova is fully committed to continue with the work of its predecessor on coordination of investment policies and better promotion of the region with the objective of achieving the goal embedded in the SEE2020 Strategy on increasing overall annual foreign direct investment inflows to the region by at least 160%. Together with the SEE Investment Committee, the Chair in Office will proactively work to establish a free and open investment regime by removing intra-regional investment barriers, and pursuing policies and actions that support the attraction and inflow of FDI.

The Chair will support the CEFTA RCC Joint Working Group on Investment Policy and Promotion in its efforts on removing the identified investment barriers, encourage the policies and actions that lead towards increase of FDIs as well as promote intra-regional investment. From the CEFTA perspective, the major focus will be given to the better coordination of investment policies across the region in order to ensure the higher protection of investments. This would include specific actions such as comparative analysis of investment policies and regulatory issues in order to identify regional standards for specific policies, agreed procedures to achieve the same level of investment protection and improvement of transparency to avoid a 'race to the bottom' approach.

IV Facilitation of free movement of experts, professionals and skilled labour

In its capacity of the Chair of CEFTA in 2015, Moldova will join efforts with major international and regional partners to tackle the most frequent barriers to the mobility of professionals and skilled labour across the region.

The non-recognized qualifications in a number of professions are seen as impediments to the free temporary movement of natural persons within the context of GATS on which rules CEFTA relies, thus having negative impact on boosting the trade amongst CEFTA Parties. Other areas of interventions would be adoption of more transparent certification procedures, facilitating the entry of high skilled labour by streamlining the work permit processes and convergence on EU legal measures and standards in this field.

In the course of 2015, Moldova as a Chair will work together with the RCC on establishing the Joint CEFTA- RCC Working Group on Recognition of Professional Qualifications.

Integration into Global Economy

V) Improve market access through completing a single diagonal cumulation zone under the PEM Convention

1. Establishing CEFTA positions with an aim to better utilise cumulation opportunities in the framework of PEM Convention

The Chairmanship of Moldova is committed to take further steps in strengthening coordination among CEFTA Parties in order to establish CEFTA positions in the framework of negotiations for the revision of PEM Convention.

In this regard, the preliminary findings of GIZ financed project on "Measuring Implementation of CEFTA Diagonal Cumulation of Origin" suggested that the level of utilising diagonal cumulation in CEFTA is very low. For the sake of promoting trade through extending utilisation of the PEM Convention and cumulation opportunities, the CEFTA Chairmanship advocates developing Joint Positions on abolishment of "prohibition of drawback" and insertion of "full cumulation" in the Pan-Euro-Med Convention.

2. Advocating the PEM Convention as a tool for promoting trade

The Moldovan Chairmanship will coordinate with CEFTA Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and NTBs and Technical Barriers to Trade to organise two regional meetings with the private sector in Processed Agricultural Products and Textile with an objective to present the PEM Convention and introduce the ways to utilise the cumulation under PEM in these two sectors.

VI) Enhance participation in regional supply chains and global supply networks

Aiming at facilitating the integration of CEFTA economies into the global and regional value chains and more broadly at improving overall competitiveness of the region, the CEFTA Structures in coordination with the Regional Cooperation Council (RCC) will promote streightening the existing and establishing new regional supply chains as well as developing an investment concept that enhance participation in global supply networks. In 2015, the efforts will be further focused on the priority sectors defined by the SEE 2020.

Horizontal Priorities:

VII) Sustaining synergy between implementation of CEFTA and the SEE 2020

The Chairmanship of Moldova will take utmost attention to follow up the progress in the implementation of SEE 2020, and to provide the information regarding the current state of play on the implementation of its Chairmanship priorities to the relevant structures of SEE 2020.

VIII) Capacity building in trade policy formulation, coordination, and implementation

The Chairmanship of Moldova is fully aware of the fact that multi-layered obligations of CEFTA Parties in relation to trade stemming from WTO, EU accession process and CEFTA requires a strong coordination among the relevant Ministries in trade policy formulation and implementation.

The CEFTA Chair in Office considers a strong engagement in capacity building as necessary in each administration in the CEFTA Parties, particularly the ones in charge of formulating and implementing trade policy. Within this aim, the Moldovan Chairmanship is committed to support the efforts to prepare a need analysis of the relevant Ministries of CEFTA Parties regarding capacities in trade policy formulation, coordination and implementation from a regional point of view. x) Creating National Experts Programme in the CEFTA Secretariat

The Chairmanship of Moldova will make its best efforts that the implementation of CEFTA National Experts Programme commences in the time frame as planned by the financial assistance to be provided by the EU in the second quarter of 2015.

III ACTIVITIES AND EXPECTED RESULTS

- I) Further liberalisation of trade in services and trade in agricultural goods
 - 1. Liberalisation of intraregional trade in services by reducing restrictive measures and policies

Activity 11.1: Negotiate the Schedule of Commitments on Trade in Services

The members of the Negotiating Group on trade in service are committed to work intensively to reach common goal of opening services market amongst themselves. It is envisaged that the Negotiating Group holds four negotiating sessions during 2015. The sessions are scheduled quarterly according to the previously agreed schedule during Macedonian Chairmanship with the following tentative dates: February, June, September and November 2015.

Activity 11.2: Finalise text of the Additional Protocol on Trade in Services

The members of the Negotiating Group will work intensively to finalise the text of the Additional Protocol on Trade in Services by the end of 2015.

<u>Activity 11.3: Identifying and removing restrictive measures and policies to intraregional</u> <u>trade in services</u>

In cooperation with the OECD and other international partners, CEFTA Parties will work on identifying the most frequent barriers that hamper the increase of intraregional trade in services in order to achieve the common goals set by the SEE2020 Strategy. A detailed assessment of existing *de facto* restrictions in place at the level of professional organisations is to be conducted while the level of restrictiveness for transport and distribution sectors is to be calculated based on the Services Trade Restrictiveness Index methodology. This analysis will contribute to identifying the key elements of restrictiveness and will allow for intra-regional and international comparison, setting a platform for trade in services negotiation.

<u>Activity 11.4: Review the quality and coverage of available trade in services statistics in the</u> <u>region and propose appropriate solutions for improvements</u>

The members of the Working Group on Trade in Services statistics will work on identifying the major challenges in improving the uniformity and comparability of data of importance for the analytical needs of trade in services negotiators. A special attention will be given to finding ways to overcome gaps in existing data and ensuring effective collaboration amongst users and compilers.

Activity 11.5: Identify priorities for further developing statistics for commonly agreed sectors

The work will be focused on finding the means how to achieve the comparability of data in services sectors of specific interest in a way that they can be more effectively used by policy and decision makers.

Activity 11.6: Set up the system for reporting on trade in services on annual basis

In cooperation with the CEFTA Secretariat and international partners, the Chair in Office together with the members of the Working Group on Trade in Services Statistics will work on setting up the sustainable system for regular reporting on trade in services.

2. Ensuring full liberalisation of trade in agricultural products

Activity 2.1 Removing existing quotas in agricultural intraregional trade

Moldova and Macedonia will work together to remove one remaining quota in order to ensure full liberalisation of trade in agricultural products across the region. An impact analysis of the achieved liberalisation in 2011 and 2014 might be conducted.

II) Facilitation of trade through simplification of trade related procedures and addressing non-tariff measures

Activity 1. Negotiations of Framework Agreement on simplification of border inspections, exchange of data, and mutual recognition of AEOs

Negotiations will start as of January 2015 by the letters of CEFTA Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and NTBs and Technical Barriers to Trade through which each CEFTA Party is to be invited to elaborate their national negotiation positions within the scope agreed by the CEFTA Joint Committee of 2014.

It is planned that there will be two rounds of negotiations in 2015. The first one will be held in May 2015 with the participation of all three Subcommittees. The second will take place in October 2015.

In the framework of negotiations, there will be a number of consultants to be contracted by the CEFTA Secretariat to provide technical assistance to CEFTA Parties during the negotiation process. In particular, the EU financed SEED Project Team is contracted to assist the CEFTA Parties in elaborating their positions on electronic exchange of data.

Furthermore, it is planned to organise two regional meetings in order to explain the relevant international conventions for simplification of border procedures, and AEO.

The activity will be carried out by the Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and NTBs and Technical Barriers to Trade.

Activity 2: Addressing the main trade distortive non-tariff measures in selected supply chains and Enhancing Transparency

Once the implementation of GIZ Project starts, the Subcommittees on Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and NTBs and Technical Barriers to Trade will be tasked to participate in the project meetings during which UNCTAD and ITC will help in identifying most trade distortive non-tariff measures upon the information to be received from private sector advisory groups. The Subcommittees will be the main platform where the identified non-tariff measures are specifically analysed, and the recommendations to eliminate them are to be discussed.

Furthermore, the Moldovan Chairmanship encourages Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and NTBs and Technical Barriers to Trade to keep the CEFTA Transparency Tools updated.

It is also important that all technical preparations for developing MIS Capacity of CEFTA Secretariat are to be completed in 2015 in order to allow the upgrading all CEFTA IT based Transparency Tools in a consolidated manner in the following years.

Activity 3: Creating programming and reporting procedures between Subcommittees and Committee of Trade Facilitation:

The Moldovan Chairmanship will propose to CEFTA Parties to agree on a procedure to the Committee of Trade Facilitation for having **consolidated work programme which** is to be submitted to CEFTA Committee of Trade Facilitation by the Chairs of CEFTA Subcommittees. The consolidated work programme is to include the main actions in trade facilitation, their milestones, and tentative timing, and expected results. The programming will also include a list of tools (i.e. technical assistance) which each CEFTA Subcommittee will employ in order to reach the expected results if necessary.

The Moldovan Chairmanship will also proposed to CEFTA Parties to agree on two cycles of report. A consolidated report by the CEFTA Subcommittees is to be prepared in **June and November** each year, which is to be submitted to the Committee of Trade Facilitation. The report will include a list of outputs reached by the activities undertaken by the CEFTA Subcommittees, and recommended actions to take in each CEFTA as follow-up or complementary actions.

Upon the completion of such reporting cycle, Committee of Trade Facilitation will flag up the main open issues in Deputy Ministers and Joint Committee.

III Facilitation of free flow of investment through coordination of investment policies and better protection of investment and investors

Activity III1: Benchmarking national investment policies against the regional standard

Joint Working Group on Investment Policy and Promotion that is operating under the auspices of the SEEIC Secretariat and in close collaboration with the CEFTA Secretariat will work on coordinating investment policy, developing good practice guidelines on FDI incentive schemes and programmes and mapping and improving the existing investment

promotion capacities of the region, particularly in the two priority sectors - food and beverages and tourism industry.

In the course of 2015, the UNCTAD will conduct a study dedicated to the benchmarking of national investment policies against a regional standard as envisioned in Pillar 1 of the SEE 2020 Strategy. The regional standard will be defined as an open investment policy that is: non-discriminatory, transparent, predictable and conducive to greater FDI flows. Harmonizing national investment policies to this regional standard should maximize the probability of achieving the target of increasing FDI flows into the region by 160 per cent by or in 2020.

The expertise of UNCTAD and IFC as well managed coordination amongst regional IPAs and other SEE 2020 Dimension Coordinators will contribute substantially to the implementation of the priorities in 2015.

IV Facilitation of free movement of experts, professionals and skilled labour

<u>Activity IV.1: Enhance the intraregional trade in services by reducing and eliminating the</u> <u>barriers on free movement of experts and professionals across the region</u>

In accordance with the priorities stipulated by the SEE 2020 Strategy and commitments embedded in Articles 26-29 of the CEFTA Agreement, Moldova in its capacity of the Chair will work towards achieving a goal of reducing the restrictiveness of free trade in services and facilitating the free movement of experts, professionals and skilled labour.

With the aim of proactively addressing this challenge, the Chair will employ efforts together with the RCC on establishing the Working Group on Recognition of Professional Qualifications. This joint body is expected to report to the RCC Structures and to the CEFTA Subcommittee on Trade in Services. Apart from responsible persons in ministries of labour and education, it will also include the representatives from ministries of trade/economy in charge of trade in services.

Integration into Global Economy

V) Improve market access through completing a single diagonal cumulation zone under the PEM Convention

Activity 1. Joint CEFTA Positions in negotiations of the PEM Convention

The Chairmanship of Moldova will support the technical work by Subcommittee on Customs and Rule of Origin to elaborate a joint position on abolishment of drawback prohibition, and extending full cumulation in the PEM Convention.

Once the text of position paper is agreed by the Subcommittee on Customs and Rules of Origin, the Chair in Office is committed to convey the joint position to the negotiation group of PEM Convention.

Activity 2: Promoting Trade through PEM Convention:

There will be two regional meetings which are to be organised under technical auspices of CEFTA Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and NTBs and Technical Barriers to Trade to present the PEM Convention and cumulation opportunities thereunder as the main instrument to promote trade. The initial two meetings will be organised in Process Agricultural Products, and textile. Manufacturers in these sectors from each CEFTA Party are to be invited to these meetings.

VI) Enhance participation in regional supply chains and global supply networks

<u>Activity VII1: identification of key economic sectors of potential comparative advantages of</u> <u>the region</u>

The analytical part of the work will be conducted in synergy with the NGCI Sector Competiveness and Industrial Policy projects led by the OECD to be discussed in the context of the SEE 2020 Strategy. The CEFTA Structures will be directly involved thorough participation in the CEFTA RCC Joint Working Group on Investment who should interact with the newly established Working Group on Industrial Policy, both groups operating under the auspices of the SEE Investment Committee.

Activity VII2: Integration of the CEFTA Parties into the OECD-WTO Trade in Value Added (TiVA) Database

For this purpose, the sectorial input/output tables would need to be developed, with the support of the OECD Statistics and Trade Directorates. The TiVA data will allow evaluating the level of integration of CEFTA Parties in value chains, their direction and intensity by sector.

The final output of both activities would contain sector specific and product specific policy recommendations and detailed measures needed to reduce current barriers that are preventing the development of intra-CEFTA and global supply chains. The analytical work and the policy recommendations would be communicated and discussed within the relevant CEFTA Structures for action deliberation.

Horizontal Actions:

VII) Sustaining synergy between implementation of CEFTA and the SEE 2020

The Chairmanship of Moldova will task the CEFTA Secretariat which is coordinator for Integrated Growth Pillar of the SEE 2020 to report regularly the progress in the implementation of SEE 2020 to the CEFTA Structures.

VIII) Capacity building in trade policy formulation, coordination, and implementation

Activity 1: Preparation of Need Assessment for Capacity Building in Trade Policy Formulation, Coordination and Implementation

There will be a technical assistance project which is to be implemented by the International Trade Centre in the first half of 2015.

The ITC will produce a need assessment report describing the existing trade policy related administrative capacity of the CEFTA Parties and analysing the strengths and weaknesses of that capacity to steer the obligations stemming from the WTO, EU, and CEFTA with a particular emphasis on training. The need assessment prepared by the ITC will also include a list of actions (action plan) that need to be taken in a period of 3 years to respond to the needs indentified by the assessment related to all administrative capacity building actions with a special emphasis on training related capacities. As part of this need assessment and action plan, the Consultant will draft a project fiche (project proposal including logical framework matrix) for the EU IPA II financial assistance to develop multi-annual regional training programmes for the public authorities with an aim to strengthen their capacity in trade policy formulation and coordination.

It is planned that the future project which the ITC will develop its project fiche is to produce the following results:

- Curriculum and trainers on trade policy issues is developed to the highest international standard;
 - Stakeholder knowledge on trade policy issues is augmented;
- Government officers are provided a firmer analytical base with which to design, implement and reform trade policy.
- Capacity is built on a sustainable basis (as the programme will rely upon building local capacity rather than rely on international expertise)

IV. COOPERATION WITH INTERNATIONAL INSTITUTIONS AND REGIONAL INITIATIVES

The Chair in Office is committed to maintain close ties with the Regional Cooperation Council in charge of overall coordination of the SEE2020 Strategy. A regular exchange of information, collaboration on topics of common interest between CEFTA Structures and other regional intitatives responsible for the implementation of the SEE2020 is to be secured throughout 2015.

For the implementation of its Chairmanship priorities, the Chair in Office will continue to work in close cooperation with the World Bank, the OECD, IFC, UNCTAD, ITC, and WTO whose analytical support are of substantial importance to undertake the activities by the CEFTA Structures. Furthermore, the GIZ, USAID and TAIEX, active in providing technical advisory in recent years, will stay as regular partners in 2015.

The Chairmanship of Moldova will continue cooperation with the CEFTA Forum of Chambers and other representatives of private sector in the Region.

V. RISKS AND ASSUMPTIONS

Moldova is committed to ensure the functioning of CEFTA activities on the technical level in the best conditions. On this purpose will do its best in order to ensure financial support for

fulfilling the work plan, including by continuing cooperation with other relevant organisations.

The Chair in Office foresees the following issues out of its control in the implementation of its Chairmanship priorities but assumes that any development that might endanger the smooth functioning of the Agreement will be prevented by the joint effort of each CEFTA Party:

- 1) Each CEFTA Party keeps committed to the CEFTA process and its provisions;
- 2) Bi-lateral problems between the CEFTA Parties which do not have any direct relevance to the implementation of the Agreement do not affect the smooth functioning of the Agreement;
- 3) International donors keep committed to support financially the CEFTA.

VI. CALENDAR OF EVENTS

The tentative calendar for the year 2015 is as follows:

MEETING/EVENT	DATE	PLACE
Kick-off meeting of Technical Assistance to CEFTA Structures on Negotiations of Framework Agreement in Customs	3 February 2015	Podgorica
Donor Coordination Meeting on Trade Facilitation	9 February 2015	Brussels
3 rd session of the Negotiating Group on Trade in Services	26-27 February 2015	Brussels
CEFTA Secretariat Steering Committee	25 February 2015	Brussels
Training of Public Administrations on Cumulation of Origin	2 nd Week of March	Podgorica
Training of Private Sector on Cumulation of Origin	3 rd Week of March	Belgrade
Regional Conference on Global Conventions for Simplification of Border Procedures, Data Exchange and AEO	4 th Week of April	Podgorica
Third meeting of the Joint Working Group on Investment Policy and Promotion	5 May 2015	Sarajevo
Meetings of Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and TBT and NTBs	26 May 2015	Podgorica
1 st Round of Negotiations of Framework Agreement	27 May 2015	Podgorica
4 th session of the Negotiating Group on Trade in Services	June	Chisinau

		1
1 st meeting of the Subcommittee on Trade in Services	June	Chisinau
CEFTA TAIEX Workshop on Recognition of Professional Qualifications	June	Chisinau
Committee of Trade Facilitation	June	Chisinau
Deputy Ministers Meeting	June	Chisinau
Promotion of Trade Conferences on PAPs and Textile	3 rd Week September	Podgorica /Belgrade
Regional Conference on Global Conventions for Simplification of Border Procedures, Data Exchange and AEO	28-29 th September	Belgrade
First Meeting of the Working Group on Trade in Services Statistics	September	Chisinau
5 th session of the Negotiating Group on Trade in Services	September	Chisinau
CEFTA-UNCTAD Workshop on FDI Statistics	September/Octo ber	Chisinau/ Sarajevo
Fourth meeting of the Joint Working Group on Investment Policy and Promotion	8 October	Sarajevo
Meetings of Subcommittees on Customs and Rules of Origin, Agriculture and SPS, and TBT and NTBs	22 or 29 October2015	Podgorica
2nd Round of Negotiations of Framework Agreement	23 or 30 October 2015	Podgorica
6 th session of the Negotiating Group on Trade in Services	November	Chisinau
CEFTA Week 2015	November	Chisinau
Committee of Trade Facilitation	November	Chisinau
9 th meeting of the Joint Committee	November	Chisinau