Executive Summary

The Seventh Meeting of CEFTA Subcommittee on Customs and Rules of Origin

7 November 2013

Skopje

The Subcommittee on Customs and Rules of Origin meeting was held in Skopje. The participants to the meeting were representatives from Albania, Bosnia and Herzegovina, Montenegro, Macedonia, Serbia and Kosovo^{*}. Representatives of the Austrian Customs Authority, the IFC Trade Logistics Project, OECD, and SEETO attended the meeting as observers of the particular agenda items which were they invited exclusively by the Chair.

Mr Kargov stated that a Ministerial Decision was drafted to establish a link between CEFTA Origin Protocol and the Pan-European Mediterranean Convention (PEM). It is expected that the draft is to be adopted at the upcoming Joint Committee meeting, and the CEFTA diagonal cumulation zone will be a part of the PEM cumulation.

Furthermore, Mr Kargov mentioned that the CEFTA Working Group on Risk Management has become fully functional. The Working Group took important steps forward with a view to developing joint risk profiles in the Region.

<u>Agenda Item 1: Presentation of Results of Risk Related Questionnaires and Discussion on</u> <u>Possible Risk Areas for Joint Profiles</u>

Mr Kargov stated that at the first meeting of CEFTA Working Group on Risk Management, held on 25 April 2013 in Skopje, the Working Group drafted its work programme. He informed that the work programme was then approved by the Subcommittee at its meeting in June.

The Chair stated that according to the work programme of the Working Group, the exchange of information should take place as regards to the current legislation on customs risk management. He informed that this task was done.

According to technical assistance needs of the CEFTA Parties in risk management, additional training workshops were to be organised at the regional level.

Mr Kargov invited Mr Dragan Jolevski to do a presentation regarding the maintenance and extension of SEED 2. This presentation was made as part of the work programme of the Risk Management Working Group.

Agenda Item 2: Presentation of a possible road map to create a CEFTA AEO Programme

Mr Kargov stated that the Macedonian chairmanship attached utmost importance to the activities related to trade facilitation. This is one of the multiannual priorities which have

^{*} This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ opinion on the Kosovo declaration of independence.

been taken over from the previous Chairmanships. The Chair reiterated his confidence that the Subcommittee would continue working on creating an AEO programme in CEFTA.

The Subcommittee agreed that a technical meeting is to be organised among AEO contact points of CEFTA Parties, once all contacts points are appointed. In that meeting, a questionnaire can be created to measure the current state of play regarding the legislative alignment, and preparations of the secondary legislation for implementation. It was also decided further technical workshops were to be provided, if needed.

<u>Agenda Item 3: Update on draft CEFTA Joint Committee Decision to link the CEFTA Origin</u> <u>Protocol with PEM</u>

Mr Kargov stated that the most visible and concrete outcome of the Macedonian Chairmanship this year would be the adoption of CEFTA decision to create a link between its Origin protocol and the PEM Convention. He reiterated that the final draft has been circulated earlier to the attention of Subcommittee.

<u>Agenda Item 4: Presentation of the results of Multilateral Monitoring Framework -</u> <u>Administrative Barriers by OECD</u>

The Chair informed that the OECD was invited to present the regional report on the Administrative Barriers part. In addition, it was informed that the OECD has completed the analysis for each party in CEFTA, and the country reports for each have been communicated separately.

Regarding the publication of PEM guidelines in the websites of Customs Authorities, Serbia informed that the guidelines were published in their website. It can be considered to publish the guidelines at the regional level once the PEM diagonal cumulation starts application in the CEFTA region.

<u>Agenda Item 5: Presentation of the current state of play of the IFC Western Balkans Trade</u> <u>Logistics Project</u>

The Chair informed that the IFC Trade Logistics Project was invited to give a presentation regarding the current state of play on the Project. In addition, the Chair made an announcement that a joint meeting with the Project is to be organised in Skopje on December 5. During that meeting, customs authorities, particularly members of the Customs Risk Management Working Group, will have the opportunity to discuss with SPS inspectors trade facilitation, use of risk management in SPS related controls.

<u>Agenda Item 6: Presentation of transport sector related priorities in the Sustainable Growth</u> <u>Pillar of the SEE 2020</u>

The Chair stated that the SEETO (South East Europe Transport Observatory) was invited to make a presentation on the transport sector related priorities of the SEE 2020. In addition, the Chair also informed that the SEETO communicated the Subcommittee its request to obtain some data regarding traffic and time of clearance.

It was informed that the SEETO sent a letter to the Chair requesting data from the customs authorities