

# **CENTRAL EUROPEAN FREE TRADE AGREEMENT**

## **JOINT COMMITTEE MEETING**

8 October 2008  
Chisinau, Republic of Moldova

### **Ministerial Conclusions**

*The Ministers and authorised representatives taking part in the second Joint Committee Meeting of CEFTA Parties in Moldova:*

RECALLING that the Agreement on Amendment of and Accession to the Central European Free Trade Agreement (CEFTA) lays out the foundations of a multilateral framework of trade relations among Parties aiming at creating the favourable conditions for the development and diversification of trade and promotion of commercial and economic areas of common interest on the basis of equality, mutual benefit, non-discrimination and international law;

TAKING account of the progress made in implementing the Agreement and recognising the importance of increasing trade among CEFTA Parties;

RE-AFFIRMING the adherence to the principles of free trade in accordance with the rules and disciplines of the World Trade Organisation and upheld the commitment to pursue the balanced economic development of the Region through CEFTA;

RECOGNIZING the importance of further trade liberalisation in advancing the economic growth and prosperity in the Region;

REITERATING the importance of regional cooperation to enable the strengthening of the competitiveness of the CEFTA Parties' economies;

RECOGNIZING the significance of implementing CEFTA for the EU perspective of the Parties;

AGREEING to the need to further promote CEFTA nationally, regionally and internationally;

RECOGNIZING the importance of respecting the deadlines in implementing the commitments undertaken in the Agreement;

TAKING NOTE of the establishment of the Secretariat in Brussels;

ACKNOWLEDGING the progress in the implementation of the Agreement as introduced in the reports by the Chairs of Subcommittees, a Summary of which is attached to these Conclusions.

COMMIT to undertake appropriate and concrete measures to implement the following actions:

- Confirm to the Chair in Office, not later than 31 December 2008, the compliance with the Article 8, Para 2;
- To develop a matrix for bilateral meetings not later than the end of 2008 and reports to be submitted to the Chair in Office from each bilateral meeting aiming at complying with Article 10, Para 3;
- In addition, recommend to the Parties to consider abolishing all import duties on agricultural products, including tariff quotas, except for a list of very sensitive agricultural products, to be agreed on bilateral basis;
- Identify and eliminate NTBs and update quarterly the Matrix of issues raised by the CEFTA Parties on specific activities/measures affecting trade among them;
- Identify and assume further action on possible conclusion of plurilateral or bilateral agreements on harmonisation of technical regulations and standards and mutual recognition of conformity assessment procedures between interested CEFTA Parties;
- Intensify cooperation with regional and international business communities to promote benefits and enhance implementation of the Agreement;
- For analytical and strategic purposes, develop the methodology and improve the agreed format of statistics to assess data regarding trade flows and quota utilisation among Parties; The Secretariat, in cooperation with all CEFTA Parties, to prepare the draft methodology;
- Intensify cooperation and communication within the networks of contact points established in each Party for more efficient work of CEFTA bodies;
- Facilitate, where appropriate, the equivalence of sanitary and phytosanitary measures by involving bilaterally relevant institutions to identify suitable mechanisms and tools;
- Identify feasible solutions for concluding bilateral agreements on harmonisation of SPS measures, technical regulations and standards or mutual recognition of conformity assessment procedures;
- Promote cooperation among customs administrations and ensure their further capacity building for efficient application of the Agreement;
- Undertake all necessary measures in order to enable and to facilitate the application of diagonal cumulation of origin;
- Harmonize the List of working or processing required to be carried out on non-originating materials in order that the product manufactured can obtain originating status from the Annex II of the Protocol related to the definition of „goods with origin” and methods of administrative cooperation of the Agreement with the Harmonized system 2007,
- Recommend to the Subcommittee for NTBs and TBT to continue with the practice of the organisation of one annual meeting of the CEFTA Parties representatives (expert level) responsible for the conformity assessment and market surveillance.

ENDORSE the Outline Strategic Work Programme 2008 – 2011 of the Secretariat, looking forward to a detailed 2009 Work Programme by the end of February 2009,

ADOPT Decision No.2/2008 on financial contributions of CEFTA Parties to the Budget of the Secretariat.

In the presence of representatives

Republic of Albania

Bosnia and Herzegovina

Republic of Croatia

Republic of Macedonia

Republic of Moldova

Montenegro

Republic of Serbia

in Chisinau, 8 October 2008.

## Summary of Subcommittees Reports

The first Meeting of Subcommittee on Agriculture and Sanitary and Phytosanitary Issues was held in Chisinau in April 2008:

- No CEFTA Party applies export subsidies for agricultural products;
- In spite of increase in trade of agricultural products, allocated quotas have only partially been utilised;
- Significant differences among Parties regarding the level of harmonisation of sanitary, veterinary and phytosanitary legislation with the EU requirements cause impediments in the agricultural trade;
- Parties agreed, where appropriate, to initiate consultations among sanitary and phytosanitary services in order to identify feasible solutions for concluding mutual recognition agreement and to report on the outcome to the Chair in Office,
- Action Plan with timetable on further concessions and steps for further liberalisation among CEFTA Parties has been discussed.

The first Meeting of Subcommittee on Customs and Rules of Origin was held in Podgorica in May 2008:

- The Parties examined the cooperation among Customs administrations, with emphasis on statistics and harmonisation with the EU legislation;
- It has been decided to introduce a more selective approach to the request for post verification of the proofs of origin,
- Cases of application of diagonal cumulation with the EU were examined; approaches to strengthening of administrative capacities and improving communication with economic operators for implementation of the Agreement were explored.

The first Meeting of Subcommittee on Technical Barriers to Trade and Non-Tariff Barriers was held in Belgrade in June 2008:

- Negative impact of TBT and NTB on the regional trade has been assessed, including reports on specific problems identified in respective business communities;
- A methodology has been proposed to monitor situation in this field;
- Need for regular exchange of information with business community through CEFTA Forum of Chambers has been stressed and co-operation with relevant international project in the field;
- In compliance with the Article 13, communication between relevant ministries and bodies has been established in all Parties;
- Parties agreed to identify specific sectors/products of interest for export to other CEFTA Parties as a basis for identification and further action between interested CEFTA Parties on possible conclusion of plurilateral or bilateral agreements on harmonisation of technical regulations and standards and mutual recognition of conformity assessment procedures,
- Action Plan with timetable on further concessions and steps for further liberalisation among CEFTA Parties has been discussed.