

EIGHTH JOINT COMMITTEE MEETING

21 November 2014
Skopje, Macedonia

Ministerial Conclusions

WE, the Ministers and the authorised representatives of CEFTA Parties, emphasise the importance of undertaking efforts committed to deepening the implementation of the Agreement of and Accession to the Central European Free Trade Agreement (CEFTA 2006) setting up a solid legal basis for liberalising trade in goods and services, facilitating trade and simplifying procedures, eliminating non-tariff barriers to trade, enhancing transparency, and strengthening regional cooperation in investment policies and promotion.

We reiterate our satisfaction that South East Europe Strategy (SEE) 2020 strengthens synergies between overall economic policies and the implementation CEFTA constituting substantial part of the SEE 2020, in particular its priorities related to trade and investment.

We welcome the advances made in negotiations on liberalisation of trade in services which act as avenues for achieving objectives of economic development and growth in the region by expanding intraregional investment and production opportunities.

We declare that CEFTA Parties agree to launch negotiations with an aim to conclude a framework agreement between Customs Administrations of CEFTA Parties for simplification of inspections, exchange of data, and cooperation of trade partnership programmes by the end of 2015.

We are pleased to note that all CEFTA Parties are in the process of signing or ratifying or applying the Pan-European Mediterranean (PEM) Convention which will merge the variable diagonal cumulation zones under the Convention.

We reiterate our readiness to initiate the formal procedures to modify the Stabilization and Associations Agreements with the European Union and bilateral free trade agreements with the EFTA States and the Republic of Turkey to implement the origin protocol of the PEM Convention in the framework of these agreements at the earliest possible date.

We welcome the entry into force of the Additional protocol 3 to the Agreement on Amendment of and Accession to the Central European Free trade Agreement from 1 December 2014, liberalizing trade in agriculture between the Republic of Albania and Bosnia and Herzegovina.

We emphasise the importance of smooth functioning of diagonal cumulation in CEFTA, and having good will approach within the subsequent verification requests of proofs of origin in case one of the

CEFTA Parties involved in diagonal cumulation is still in the position to apply the old Articles 3 and 4 of Annex 4.

ACKNOWLEDGING the comprehensive progress achieved in technically deepened areas by the three Subcommittees and three Working Groups supported through the joint efforts of all Parties as proven by the attached reports of their distinguished Chairs,

WE further commit to work on a common framework of actions:

Reemphasizing the importance of concluding negotiations of a framework agreement in the related fields of customs by the end of 2015, we declare that the scope of negotiations of the Framework Agreement will include

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

Instructing CEFTA Subcommittee on Customs and Rules of Origin, and its working groups on Customs Risk Management, and on Electronic Exchange of Data, the existing network of CEFTA AEO Contact Points to be engaged with full efforts and resources to undertake negotiations in the scope given above.

Expecting from CEFTA Parties to appoint a CEFTA Contact Point from each Customs Administration of CEFTA Parties at the level of Deputy Director according to Article 44 (2) of CEFTA Agreement and tasked to coordinate the negotiations of Framework Agreement on behalf of his/her own CEFTA Party. These CEFTA Contact Points in each Customs Administration are also to be responsible for coordinating all customs related discussions in CEFTA Structures on behalf of their administrations, in coordination with the existing CEFTA Contact Points at the Ministries for Trade who will continue acting as the main contact point for each CEFTA Party.

Reconfirming the commitment to open mutually the services markets, the Parties are encouraged to keep the pace of negotiation of liberalisation of trade in services respecting the timeline of six negotiating rounds with the main objective to achieve substantial liberalization liberal commitments in at least of the sub-sectors by the end of the negotiations. The negotiating Parties are advised to engage in particular in reducing the barriers in Mode 4 thus contributing greatly to the free movement of professionals and experts throughout the region.

Acknowledging the importance of enhancing the intraregional trade in services as well as need for ensuring the smooth implementation of the commitments undertaken in Chapter VI A, the Joint Committee establishes the Subcommittee on Trade in Services and its subordinate bodies. Its main role shall be to directly oversee and streamline the work of the Negotiating Group on Trade in Services and the Working Group on Trade in Services Statistics and to collaborate closely with the RCC in exploring the possibilities to establish the Joint RCC-CEFTA Working Group on Recognition of

Professional Qualifications, which will operate under the institutional framework of the RCC Secretariat.

Respecting the need for further strengthening of cooperation among the relevant SPS structures across the region and in accordance with Articles 12 of the CEFTA Agreement, the members of the Subcommittee on Agriculture and SPS are instructed to establish task groups on sanitary, phytosanitary and veterinary issues. These expert bodies will deal in particular with the exchange of experiences on adoption of the EU Acquis in the context of relevant EU integration process, explore potentials for concluding the mutual recognition multilateral agreements and for joint representation of CEFTA Parties to international organisations and initiatives in relevant field.

Based on the positive experience of the introducing contact points for customs the Parties consider applying a similar model to the area of agriculture and SPS.

Welcoming the establishment of the Joint RCC-CEFTA Working Group on Investment Policy and Promotion and its successful commencement of work in 2014, the Joint Committee encourages the CEFTA Parties to take an active role in: (i) establishing a free and open investment regime by removing intra-regional investment barriers; (ii) pursue policies and actions that support the attraction and inflow of FDI as well as intra-regional investments and (iv) promote further integration of regional markets.

Reemphasising the positive role which trade facilitation is to play in promoting regional trade by decreasing cost and time to trade in the Region, we acknowledge that trade facilitation requires a high level of policy coordination between different Ministries in the national level and thus it requires Ministries for Trade to lead such policy coordination process with an aim to facilitating trade while Customs Authorities are better placed to deal with technicalities thereof.

Confirming that risk management is to be at the centre of trade facilitation efforts in CEFTA, and all trade facilitating and simplification measures including exchange of data.

Seeing mutually recognised trade partnership programmes by the Customs Authorities in CEFTA as an indispensable part of our trade facilitation efforts, we adopt our regional strategy to establish CEFTA Authorised Economic Operator Programme in order to better coordinate our efforts to create mutual recognition of national AEO programmes provided that they are fully in line with the relevant EU acquis.

Reemphasising our satisfaction of substantial increase in financial assistance to be provided to CEFTA Structures both in operational and activity based supports, and accepting such increase as a solid proof of the successful implementation of CEFTA, We underline our strong commitment to successful implementation of technical assistance projects which the CEFTA Structures partake, in particular the ones related to trade facilitation which are to be financed by GIZ, and the European Union.

Having in mind the open issues related to the non tariff barriers to trade among CEFTA Parties, referred to at the Joint Committee meeting, the Parties agree to hold the bilateral/plurilateral

consultations among the interested Parties by the end of this year, with the objective of resolving the issues as soon as possible.

Taking into account the absolute necessity of ensuring uninterrupted functioning of CEFTA Structures, we deem necessary to establish CEFTA Open Fund which is a financial instrument to buffer any unexpected financial shortage, and to fund CEFTA specific needs for any institutional strengthening and capacity building.

Reassuring our commitment to have the CEFTA Secretariat functioned in a sustainable way in order to keep its Regionally-recognised performance, we announce that CEFTA Parties have reached a consensus regarding the new structure of the Secretariat, and state our agreement to support its institutional capacity by establishing a national experts programme.

Due to internal legal and procedural requirements Bosnia and Herzegovina is not in the position to take a final stand on the proposed decisions. After the procedural requirements are fulfilled Bosnia and Herzegovina will in accordance with the Article 11 of the Rules of Procedures of the Joint Committee (Decision No 1_2007) complete the procedure in writing as soon as possible.

All CEFTA Parties adopt the following decisions and the AEO Strategy, except for Bosnia and Herzegovina which will provide its consent to all these seven documents in writing:

- Decision No.1/2014 Establishment of CEFTA Open Fund
- Decision No.2/2014 National Seconded Experts
- Decision No.3/2014 on Establishment of the Sub-Committee on Trade in Services and Amendment of Decision no. 4/2010
- Decision No.4/2014 Establishment of the Working Group on Electronic Exchange of Data
- Decision No. 5/2014 Establishment of Committee of Trade Facilitation
- Decision No.6/2014 On the Amendment to the Decision No 8/2007 Establishment of a Selection Committee for the Recruitment of the CEFTA Secretariat's Director
- CEFTA Strategy on AEO

In the presence of representatives of all CEFTA Parties in Skopje, 21 November 2014