

MEMORANDUM OF UNDERSTANDING ON TRADE PROMOTION AND FACILITATION IN THE CEFTA

between

**The Western Balkans 6 Chambers Investment Forum (WB6 CIF), CEFTA Secretariat
and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH Open
Regional Fund for South-East Europe – Foreign Trade (ORF FT)**

Hereinafter referred to as 'the Signatories'.

RECOGNIZING that all three signatories are directing their efforts and would like to join their engagements to advance the creation of a Regional Economic Area (REA) as specified in the Multi-Annual Action Plan for a REA (MAP REA) under the Berlin Process, with the ultimate goal of acceding the EU;

CONSIDERING that they have been working toward eliminating barriers to trade and facilitating and promoting trade flows in the Central European Free Trade Agreement (CEFTA);

REAFIRMING their dedication to support economic growth and regional economic integration of the Western Balkan 6 (WB6) and fulfil this Memorandum of Understanding (MoU) in a spirit of cooperation and on the basis of mutual understanding,

have hereby agreed as follows:

I. Purpose

The purpose of this MoU is to establish a mutual framework for cooperation between the Western Balkans 6 Chambers Investment Forum (WB6 CIF), CEFTA Secretariat and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH - ORF Foreign Trade (hereinafter: ORF FT).

The establishment of the mutual framework for cooperation aims to improve mutual coordination, efficiency and effectiveness in the areas of common interest – the advancement of the reform agenda for trade and competitiveness in South East Europe, SEE 2020 Strategy and MAP REA, namely:

- the facilitation of trade and removal of non-tariff barriers to trade, and
- the promotion of trade in services and goods in the CEFTA 2006 for the purpose of deepening regional integration as stipulated in the MAP REA.

II. Background

The WB6 Chamber Investment Forum (WB6 CIF) is a legal entity incorporated in 2017 as an association headquartered in Trieste, representing a joint initiative of chambers of commerce from the six Western Balkans economies to establish a platform for cooperation within the framework of the Berlin process, with the aim to provide a joint voice to the business community in the region and to facilitate inter-business contacts and promote the region as one investment destination.

CEFTA Secretariat provides technical, professional and administrative support to the Joint Committee and to any committee, sub-committee, expert group or other body established by the Joint Committee as requested, support the Chair in Office of CEFTA in the organisation and follow-up of all meetings of the Joint Committee and its appropriate bodies. In addition, CEFTA Secretariat co-ordinate donor-funded assistance for regional trade policy activities including the development of requests for assistance as agreed by the Chair and/or the Joint Committee and to monitor progress made.

GIZ, an international cooperation enterprise for sustainable development with worldwide operations to support complex reform and change processes, inter alia in the Western Balkans, implements a large economic development portfolio in the region. The ORF FT supports regional initiatives designed to improve conditions for free trade and competitiveness. ORF FT-backed projects focus on regional integration and therefore involve at least three countries and are planned and implemented with various actors. Their aim is to improve the rollout of regionally agreed trade facilitation reforms and promotion measures while giving companies better access to relevant information and know-how and advancing public-private dialogue.

III. Framework for Cooperation

The signatories hereby recognize the importance of mutual cooperation and pledge to join their efforts in:

- 1) Strengthening the public-private dialogue to advance the development and monitor the implementation of CEFTA in order to contribute to the formation of the REA,
- 2) Promoting to the enterprise community available instruments and mechanisms provided by the CEFTA, thereby maximizing the benefits of intra-regional business operations,
- 3) Supporting digital ways of conducting business in the CEFTA,
- 4) Developing other points of joint interest.

In order to enhance and structure their cooperation, coordination and sharing expertise in the planning and execution of the activities of support and empowerment of the trade environment in the WB6, in order to build better synergies and advance their objectives the parties agree on the following:

- Assign a contact point for the purpose of the implementation of this MoU and the activities specified in the Annex/es,
- Share information on topics of common interest,
- Jointly engage stakeholders to pursue the above-mentioned goals,

- Organize joint events in order to increase the visibility of the reform processes in the Western Balkans,
- Consult and cooperate in planning, implementing and monitoring joint activities,
- GIZ pledges to build capacities of stakeholders on the joint topics of interest and provide regional and international expertise,
- WB6 CIF pledges the involvement of businesses through its member chambers network, identifying specific topics of interest to the business community of the CEFTA, facilitation of business to government dialogue in line with the goals set in this agreement and the promotion of joint activities,
- CEFTA Secretariat pledges to request advice and inputs in preparation of ongoing future reforms that are carried out in the CEFTA framework.

Specific activities to operationalize these goals will be laid down in the Annex in the form of biannual Action Plans, the first one covering the period 2019-2020.

IV. Entry into force and duration

This MoU will take effect from the day of its signature and shall remain in force for an initial period of four years. The MoU may be renewed, amended subject to written consent by all Signatories and terminated by written notice sent at least one (1) month before the termination by any of the Signatories.

V. Non-binding nature

This MoU, which is not legally binding, in no way restricts any Signatory from pursuing similar activities on its own or from participating in similar activities with other public or private agencies, organisations, and individuals. It does not create any obligations for any Signatory or third Party.

VI. Points of Contact

The Signatories hereby appoint the following Points-of-Contact for the effective implementation of the Memorandum of Understanding:

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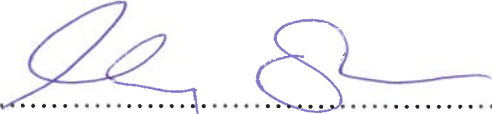
CEFTA Secretariat
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VII Final provisions

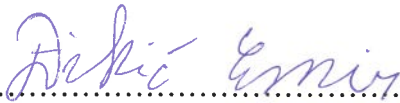
This document is signed in three original copies in the English language.

Place and date:

Belgrade, 21 June 2019



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WB6 CIF – Marko Cadez



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CEFTA Secretariat – Emir Djikic



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GIZ GmbH, ORF FT – Johanna Wohlmeyer



ANNEX

ACTION PLAN 2019-2020

For the period following the signing of the MoU until May 2020, the expiration date of the ORF FT, the following activities are foreseen:

Area of cooperation	Activity	Timeframe
<p>1. Strengthening the public-private dialogue to advance the development and monitor the implementation of CEFTA in order to contribute to the formation of the REA</p>	<ul style="list-style-type: none"> - Cooperate in finding a solution to solve the problem of lacking recognition of border documents - problem analysis and joint presentation of solutions to decision makers - Jointly promote the concept of Authorized Economic Operators (AEO) and support enterprises in the application process - Communication of a position paper, representing the interests of the vegetable and iron and steel industry, to national and regional structures - Cooperating in the promulgation of the further development of electronic commerce - Organize a joint event within the frame of the Poznan summit to increase the visibility of the joint reform efforts 	
<p>2. Promoting to the enterprise community available instruments and mechanisms provided by the CEFTA, thereby maximizing the benefits of intra-regional business operations</p>	<ul style="list-style-type: none"> - Communicate and promote benefits of PEM Convention and its revision including exceptions on full cumulation and duty drawback in the CEFTA starting on July 1 2019 - Promote benefits of establishing regional BTI databases (Binding Tariff Information) for economic operators 	
<p>3. Supporting digital ways of conducting business in the CEFTA.</p>	<ul style="list-style-type: none"> - Analyse the possibilities of cooperation in the fields of enhancing business through the use of information technologies and the 	

	digitalization of enterprises under the CEFTA framework	
4. Developing other points of joint interest.	- Invite the Republic of Moldova to join the CIF network defined in this MoU as an observer	

In addition, the parties acknowledge the cooperation between WB6 CIF and GIZ on the sub-project “Increase of Export Potential of SMEs from the Western Balkan 6 Region” of the ORF FT and in the spirit of mutual cooperation pledge to share information through the established internal Information Exchange Platform within the framework of information exchange of this MoU.