

SEVENTH JOINT COMMITTEE MEETING

20 November 2013
Sarajevo, Bosnia and Herzegovina

Ministerial Conclusions

WE, the Ministers and the authorised representatives of CEFTA Parties, reiterate our firm commitment to deepen the implementation of the Agreement on Amendment of and Accession to the Central European Free Trade Agreement (CEFTA 2006) setting the legal basis of our efforts in promoting regional trade through liberalising trade in goods and services, facilitating trade and simplifying procedures in trade, eliminating non-tariff barriers to trade, enhancing transparency in trade policy and measures, and strengthening cooperation in investment policies.

WE welcome the successful conclusion of the preparations of the South East Europe Strategy (SEE) 2020 and expect implementation to commence in 2014.

We emphasise the strong interaction between the CEFTA Agreement and the SEE 2020 offering our Region a unique opportunity to lead implementation of the Agreement with a wider economic policy perspective so as to serve the overall objectives of the SEE 2020 to promote economic growth and job creation.

WE acknowledge the involvement of CEFTA Structures in developing the *Integrated Growth* Pillar of the SEE 2020, the objective of which is in full compliance with both the spirit and the letter of the Agreement, and thus consider the proper functioning thereof as the all-important factor of success in reaching those common objectives.

We welcome completion of full liberalisation of trade in goods and opening of negotiations on further liberalisation of trade in services in 2014, as key elements for achieving the ambitious SEE 2020 targets in intra-regional trade.

We are pleased to note that establishing a link between the implementation of diagonal cumulation of origin in the framework of the Agreement and the Pan-European Mediterranean (PEM) Convention merges the patchy diagonal cumulation zones under the Convention, and the start of the application of diagonal cumulation of origin according to the PEM Convention in 2014 shall strongly promote investment and thus support integrating our economies into global supply chains.

We emphasise the importance of enhancing transparency in trade policy and measures, in particular to prevent implementing measures in contradiction to the proper functioning of the Agreement.

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:

Reaffirming the commitment of gradual opening of services markets through the progressive liberalisation of trade in services, the Joint Committee acknowledges the progress achieved in the Working Group on Trade in Services, and endorses the agreed text of the Additional Protocol on Trade in Services as a framework agreement for specific commitments amongst Parties. We instruct the Negotiating Group that performs within the Working Group to start with necessary preparations with the objective to launch the negotiations on the liberalisation in the first quarter of 2014.

Emphasising the elimination of non-tariff barriers as a key tool to accomplish undisturbed trade in the Region, in particular, when tariffs and quotas have been removed, we strongly advocate for the implementation of the recommendations that stem from the Multilateral Monitoring Framework: (i) the enhancement of transparency in areas of vital importance (SPS, TBT and administrative barriers); (ii) the synchronisation of harmonisation of legislation with the EU and international requirements, and (iii) conclusion of mutual recognition agreements.

Seeing the launching of the CEFTA SPS Database as an important action towards improved information visibility in the area of sanitary, phytosanitary and veterinary area, we encourage further steps in its upgrading and give our full support to the creation of the CEFTA TBT Platform which will move the transparency in quality infrastructure of the region to the next level.

Acknowledging the progress achieved in the Working Group on Technical Barriers to Trade on aligning the text of the Agreement on Conformity Assessment Issues and on Easing Access of Industrial Products to the Markets of other CEFTA Parties, we strongly encourage Parties to work further on its finalisation as well as to start with the consultations on the products that will be part of the specific Annexes.

Recognising the importance of addressing systemically market access barriers encountered in the CEFTA Parties through enhancing transparency, we encourage all Parties to strengthen their capacities to employ all functionalities offered by the available databases and transparency tools

with a view to exploiting those databases and tools to accelerate elimination of the most common market access barriers at the most appropriate level.

Acknowledging the core role of exchange of information between all the parties involved in trade for the purpose of facilitating trade, we are committed to make joint efforts to strengthen the implementation of risk analysis in all clearance stages by all governmental agencies therein, to eliminate the data submission requirements which are redundant or in contradiction with the Agreement, and grant simplifications in customs procedures and facilitations of customs controls related to security and safety to the economic operators functioning in full compliance with customs and other relevant laws and procedures.

Facilitating the implementation of the SEE 2020 we endorse the creation of two standing Task Forces i.e. Trade Facilitation and Investment Task Force, in 2014.

Reiterating support of the Parties for consolidating the agenda of the implementation of CEFTA with the *Integrated Growth* Pillar of the SEE 2020 we recognise the need for additional resources to ensure successful implementation. We expect that the bulk of the financing for both functioning of the Secretariat and technical assistance will be financed through the EU Multi-beneficiary Instrument for Pre-Accession (IPA) II for the periods between 2014 and 2020. We agree to give a mandate to the CEFTA Secretariat to conclude relevant discussions with the European Commission on our behalf for financing the implementation of CEFTA and the SEE 2020 in the period 2014 - 2020.

Having in mind that the Parties have not reached full consensus on the functioning of the CEFTA Secretariat beyond September 2014 it is agreed that relevant decisions on budget and staffing shall be adopted not later than 31 January 2014.

REITERATING the significance of merging the variable diagonal cumulation of origin zones under the PEM Convention, we encourage the Parties to give particular attention to exploit the potential of the Convention to the maximum, particularly in relation to integrate our agricultural and industrial production into global supply chains, attract further green-field investment, and access new markets through concluding relevant agreements with third countries, particularly with signatories of the PEM Convention.

WE adopt:

- Decision No 1/2013 – No. 1/2013 on the Amendment to the Decision No. 7/2007 adopted on 28 September 2007;

- Decision No 2/2013 - Advance Notification of Legislation;
- Decision No 3/2013 - amending Annex 4 of the Central European Free Trade Agreement (CEFTA 2006), Protocol Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation referred to in Article 14, paragraph 1 and 3,
- Recommendation No 1/2013 - Rebalancing Measures in response to the replicated trade distorting measures.

In the presence of representatives of all CEFTA Parties in Sarajevo, 20 November 2013