

JOINT COMMITTEE MEETING

Chair's Conclusions

15 December 2021

The Joint Committee (JC) meeting was held on 15 December 2021 in Skopje, under the chairmanship of Mr. Blerim Zlatku, State Advisor in the Ministry of Economy of North Macedonia in his capacity of Chair-in-Office.

These Chair's conclusions reflect the Draft Ministerial Conclusions submitted to the CEFTA Parties prior to the JC meeting and discussed during the CEFTA Contact Points meeting held on 14 December 2021:

1. The Parties welcomed the progress in respect of the application of the CEFTA Decision No. 1/2109 on Establishing the validation procedure for the mutual recognition of CEFTA Parties' national Authorised Economic Operators' Programmes with regard to the safety and security (AEOS) and urged the Parties who still did not apply for validation of their programmes to do so in order to facilitate trade of the economic operators that have acquired the AEOS status.
2. The Parties welcomed the results of the implementation of the Common Regional Market and urged the Secretariat to speed up the activities in further implementation of the Action Plan and committed to ensure constructive participation in the implementation of the Common Regional Market. In this respect the Parties urged Moldova to adopt the Roadmap for the implementation of the Common Regional Market Action Plan.
3. The Parties committed to finalize the internal procedures for entry into force of the Decision of the Joint Committee of the Central European Free Trade Agreement No. 1/2021 amending Annex 4 of the Central European Free Trade Agreement (CEFTA 2006), setting out the Protocol Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation referred to in Article 14, paragraph 1 and 3, and repealing and replacing Decision No. 3/2013 and Decision 3/2015 of the Joint Committee of the Central European Free Trade Agreement adopted in July 2021, in order to introduce transitional rules in alongside the rules of PEM Convention and thereby further facilitate trade in goods in CEFTA.

4. The Parties welcomed the progress achieved in the negotiations on the CEFTA Dispute Settlement Mechanism, so far referred as the Additional Protocol 7 on CEFTA Dispute Settlement and committed to continue with the constructive approach in the negotiations with a view to closing the remaining open issues and completing the process by within the first quarter of 2022, taking note of the support that will be provided by EC and UNCTAD in the implementation of the agreed Protocol.
5. The Parties praised the work performed as regards the expansion of the Green Lanes/Corridors to all intra-CEFTA BCP/CCPs, including rails, and strongly encouraged the work on the extension of the Green Lanes/Corridors initiative to the neighboring EU Member States. Recalling Brdo Summit Declaration, the Parties invited the European Commission to provide the neighboring EU Member States with necessary legal and technical support for the extension of the Green Lanes/Corridors.
6. The Parties welcomed the implementation of the pre-arrival information data exchange with EU Member States through SEED System with a view to accelerating the process of clearance of goods exported from CEFTA Parties and enhancing the security of the supply chain. The Parties involved in data exchange with EU MS agreed to promptly complete all activities necessary for data exchange.
7. The Parties welcomed publication of statistical data on utilization of Green Lanes/Corridors initiative and waiting times in accordance with the agreed methodology, as a step towards reduction of waiting times at BCP/CCPs, one of the goals set by Sofia Summit.
8. The Parties pointed out the importance of implementing the CEFTA Customs Risk Management Strategy and expressed the satisfaction regarding the agreement on piloting three Joint Customs Actions on empty trucks, illegal trade of tobacco and intellectual property rights.
9. The Parties pointed out the necessity of continuing the activities on harmonization of the working hours of the agencies involved in clearance of goods, with a view to reducing unnecessary delays and reducing trade costs.
10. The Parties took note of the progress made in implementation of the Decision of the Joint Committee No. 1/2020 On Facilitating Trade for Fruits and Vegetables and noted that all needed should be undertaken to fulfill the requirements of the Decision.
11. The importance of work regarding the quality infrastructure was recognized, including the support of the European Commission.

12. The Parties took note of the plans for the implementation of CEFTA central databases on AEO and market surveillance.
13. The start of the SEED+ Platform implementation was supported, in particular work related to the establishment of CEFTA TRACES NT supporting exchange of data and certificates, with a final goal to enabling paperless trade and improving risk management in CEFTA. It was noted that harmonization of the second page of the veterinary certificates is a prerequisite for such certificates exchange. Efforts needed for seamless implementation of all stated activities were acknowledged.
14. Technological and functional upgrade of CEFTA Transparency Pack and Statistical Portal and the need to establish adequate mechanism to keep the data regularly updated with a final goal of increasing transparency and ensuring credibility of tools built were noted.
15. Necessity to fully implement the Additional Protocol 6 on Trade in Services and to launch preparatory work on its review to be adopted in 2023 was recognized.
16. The necessity for completing the internal procedures for the adoption of the Joint Committee Decision on Facilitation of Electronic Commerce was emphasized. Regarding professional qualifications and work permits, the completion of technical work on respective Joint Committee Decisions was recognized. The Parties should call for efforts to be invested towards resolving remaining issues. In relation to all three initiatives, the conclusion from the meeting of the Subcommittee on Trade in Services to commence preparatory activities for implementation of the three Joint Committee Decisions referred to above was welcomed.
17. The Parties called for renewed enthusiasm to be invested in the regulatory cooperation on tourism in order to agree the text of the Joint Committee Decision on facilitating trade in services provided by travel agencies and tour operators.
18. The Parties supported promotion integration of the disciplines of domestic regulation based on the WTO Reference Paper INF/SDR/1 "Reference Paper of Services Domestic Regulation" into the CEFTA framework and invited the Subcommittee of Trade in Services to prepare this for adoption by the Joint Committee in 2022.
19. The Parties welcomed the beginning of the cooperation between CEFTA and Food and Agriculture Organization (FAO) and called upon the Secretariat to undertake the activities to draft the Memorandum of Understanding.

20. The Parties called upon the CEFTA Secretariat to start up the procedure for the recruitment of the new Director of the CEFTA Secretariat in order to have timely and smooth transition of the management.

21. The Parties took note of the budget presented by the Director of the Secretariat, with the total amount of 1.198.000 euro agreed by the Joint Committee in the Decision 1/2018 on the Functioning of the Secretariat.

Furthermore, on the meeting of the Committee of Contact Points, 14 December 2021, Chair in Office stated that North Macedonia received the letter from Kosovo* with regards to its representation in CEFTA, asking to include this issue on the agenda of the Joint Committee Meeting as the first topic. After Chair's arguments why the letter should be on JC Agenda, the Chair asked the Secretariat to prepare agenda for the Joint Committee meeting as requested by Kosovo*, after which the JC Decisions and Ministerial conclusions will be discussed.

On Joint Committee held on 15 December 2021 Chair invited the Parties to express their opinion regarding the letter received from Kosovo*. After the expression of their opinion Chair concluded that the consensus on the Kosovo* request was not reached and that this matter requires discussion at high political level. By this conclusion of Chair, Kosovo* opposed to adopt the JC documents (Decision Amending Decision 1/2018 on functioning of Secretariat, Decision Amending Decision 1/2015 on establishing of CEFTA bodies, Decision on the Recognition of AEO's Programmes and Ministerial Conclusions), stating that until their request to be represented in CEFTA without UNMIK is resolved they will not adopt the documents at the Joint Committee. UNMIK also postponed the discussion on the decisions and Ministerial conclusions to the next Joint Committee Meeting.

With Kosovo*'s objections and UNMIK request for postponement, none of Decision on 15th Joint Committee has been not adopted.

Issued in Skopje, on 15 December 2021

* This designation is without prejudice to positions on the status and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo declaration of independence