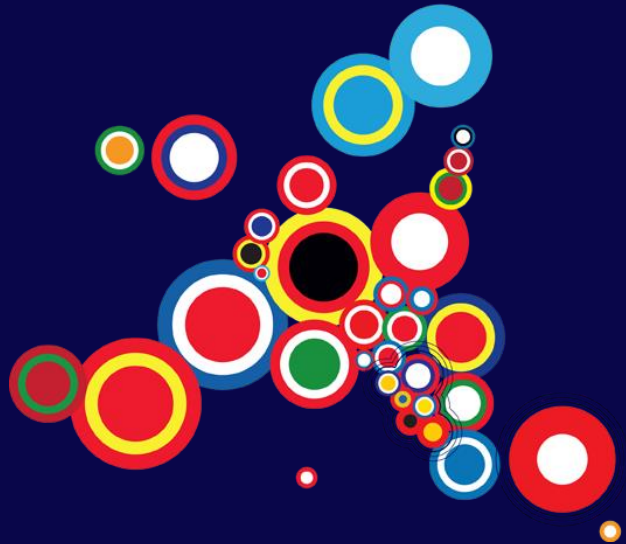




## INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

### MULTI-COUNTRY Support to CEFTA Secretariat



#### **Action summary**

Since 2001, regional trade policy in the region of South East Europe has been developed and implemented under the auspices of the Stability Pact's Trade Working Group. With the entry into force of Central European Free Trade Agreement (CEFTA) in 2006 responsibility for facilitating, managing, monitoring and promoting trade relations is being transferred to the CEFTA institutions.

Within this framework, the overall role of the Secretariat is to provide technical and administrative support to the CEFTA Joint Committee and to any subcommittee, working group or other body established by the Joint Committee for the smooth implementation of the Agreement.

During the Paris Summit on the Western Balkans (July 2016), the participants reaffirmed the importance of fostering regional market integration, especially through CEFTA. The successful conclusions of negotiations on Trade Facilitation amongst CEFTA parties were welcomed, and CEFTA parties are now engaged in concluding by the end of 2016 an agreement on Trade in Services. The CEFTA Secretariat will coordinate the preparation of this agreement. This process has further enhanced the role of the Secretariat as technical support entity facilitating the negotiations among CEFTA members. Within this framework, the current action is aimed to support the work of the Central CEFTA Secretariat in Brussels by co-financing its operational costs.

<b>Action Identification</b>			
<b>Action Programme Title</b>	IPA II Annual Multi-Country Action Programme 2017		
<b>Action Title</b>	Support to CEFTA Secretariat		
<b>Action ID</b>	IPA 2017/039-402.11/MC/CEFTA		
<b>Sector Information</b>			
<b>IPA II Sector</b>	9. Regional and territorial cooperation		
<b>DAC Sector</b>	33130 –Regional trade agreements		
<b>Budget</b>			
<b>Total cost</b>	EUR 454 000		
<b>EU contribution</b>	EUR 200 000		
<b>Budget line(s)</b>	22.020401 – Multi-country programmes, regional integration and territorial cooperation		
<b>Management and Implementation</b>			
<b>Management mode</b>	Direct management		
<i>Direct management:</i> <b>European Commission</b>	DG NEAR – Unit A.3 Thematic Support, Monitoring and Evaluation		
<b>Implementation responsibilities</b>	DG NEAR - Unit A.3 Thematic Support, Monitoring and Evaluation		
<b>Location</b>			
<b>Zone benefiting from the action</b>	Western Balkans (Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Kosovo*, Montenegro, Serbia) and Moldova <sup>1</sup>		
<b>Specific implementation area(s)</b>	Brussels – CEFTA Secretariat Headquarter CEFTA Parties		
<b>Timeline</b>			
<b>Final date for contracting including the conclusion of delegation agreements</b>	31 December 2018		
<b>Final date for operational implementation</b>	31 December 2021		
<b>Policy objectives / Markers (DAC form)</b>			
<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

<sup>1</sup> Moldova is member of the CEFTA. Specific assistance is to be provided to the Sub-Committees through secondment of experts of the Beneficiaries to the CEFTA Secretariat and through specific technical assistance to contributing and steering regional efforts for better implementation of the agreement. For these reasons, and following Article 9 of the IPA II Regulation, the eligibility of this action is necessarily extended to Moldova.

Participation development/good governance	X	<input type="checkbox"/>	<input type="checkbox"/>
Aid to environment	X	<input type="checkbox"/>	<input type="checkbox"/>
Gender equality (including Women In Development)	X	<input type="checkbox"/>	<input type="checkbox"/>
Trade Development	X	<input type="checkbox"/>	<input type="checkbox"/>
Reproductive, Maternal, New born and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
Biological diversity	X	<input type="checkbox"/>	<input type="checkbox"/>
Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
Climate change mitigation	X	<input type="checkbox"/>	<input type="checkbox"/>
Climate change adaptation	X	<input type="checkbox"/>	<input type="checkbox"/>

# 1. RATIONALE

## PROBLEM AND STAKEHOLDER ANALYSIS

The Central European Free Trade Agreement (CEFTA) plays an important role in promoting trade and investment in the Western Balkans thus contributing to better economic governance of the region and its competitiveness.

CEFTA is a modern and comprehensive regional free trade agreement, designed as an integral part of the pre-accession agenda. It provides strong legal basis for policy formulation and implementation in key areas related to trade and investment. Successful implementation of the Agreement with full liberalisation of trade in industrial goods and agriculture has largely contributed to the creation of a free trade area in South East Europe.

CEFTA has secured a stable free access to the markets during the time of economic crisis. CEFTA has a share of 24%, which ranks the second in overall exports of CEFTA Parties following the EU's share of 57% therein. The share of intra-CEFTA trade is some 40% of the overall trade of CEFTA Parties in agricultural products. While such share in non-agricultural products is close to 20%.

The implementation of CEFTA has so far been successful not only in dismantling tariffs in the regional trade in industrial and agricultural goods but also in establishing CEFTA diagonal cumulation, introducing reporting on state aid schemes, and a well-functioning dispute settlement mechanism.

The working papers of the Organisation for Economic Co-operation and Development (OECD) on CEFTA recommend that the CEFTA Parties consider prioritising their efforts on the elimination of Non-tariff Barriers (NTB) to trade in the areas of transparency, synchronising harmonisation with EU and other international requirements, concluding mutual recognition agreements, identifying and agreeing on the applicability of EU/international regulations and standards, and increasing the use of risk management. In the area of liberalisation of trade in services, the OECD has established benchmarks evaluating trade restrictiveness in CEFTA Parties which provides a basis for the ongoing negotiations on services.

Further regional trade integration and strengthening of regional economic governance will need both political and technical support. The ambitions of the South East Europe (SEE) 2020 strategy, as well as the Trade Facilitation Agreement which is currently under negotiations among CEFTA members, often require CEFTA Secretariat to act outside the areas fully covered by the Agreement and require administrative resources beyond the Ministries in charge of trade.

Challenges in the implementation of the CEFTA agenda can be summarised as follows:

- The proposed areas of intervention require technically complex discussions, calling for high quality technical assistance. In line with the global developments (i.e. signing Agreement on Trade Facilitation) trade facilitation has turned into one of the main targets in CEFTA to promote the regional trade once the elimination of tariffs for trade in industrial products and agriculture has been achieved. However, trade facilitation requires the involvement of variable stakeholders in public and private sector and therefore well structured dialogue and coordination with all stakeholders.
- A well-functioning coordination mechanism has to be established in order to benefit from synergies of SEE 2020 and other regional trade related actions.
- Availability of relevant data/economic analysis at both regional and central level represents an additional challenge for evidence-based policy making.

The CEFTA Structures will be faced with a number of issues regarding their functioning:

- Expansion in the implementation agenda calls for an adequate expansion of the structures; in addition to the current subcommittees and working groups, new working bodies will have to be established and the Secretariat has to be strengthened.
- As CEFTA takes over responsible for Pillar 1 of SEE 2020, appropriate formats for coordination across Dimensions/Pillars of the SEE 2020 strategy will have to be developed e.g. joint working groups,

platforms and/or networks. Other organisation involved in SEE 2020 will be brought closer to CEFTA and closer interaction with them will intensify.

- The level of involvement of the Beneficiaries and of Secretariat involvement will have to intensify, both in terms of personnel and technical expertise.

## **OUTLINE OF IPA II ASSISTANCE**

The SEE 2020 strategy recognises the importance of regional trade as a factor of growth – 5 out of 11 headline targets are trade and/or investment related. The most ambitious target of 230% increase is set for intra-regional trade in goods. The SEE 2020 Strategy facilitates synergies among related policies (e.g. Competitiveness and Transport) and allows conceptualising market access strategies in a wider context.

It was thus logical that Trade Ministers of the CEFTA Parties agreed that CEFTA Structures, representing a genuine forum for all trade related discussion in the region, would serve as implementation structure for the Integrated Growth, Pillar 1 of the SEE 2020 Strategy. In its meeting of November 2013 the CEFTA Joint Committee adopted a Decision assigning a new mandate to the CEFTA Secretariat to support the CEFTA Parties in implementation of trade related components of the SEE 2020 Strategy.

Furthermore, the conclusions of the Western Balkans Summit in Paris in July 2016 read as follows:

*The participants reaffirmed the importance of fostering regional market integration, especially through CEFTA. In this context they welcomed the successful conclusions of negotiations on the Additional Protocol 5 on Trade Facilitation of the CEFTA Agreement, as well as the importance of concluding by the end of 2016 an Additional Protocol on Trade in Services. The CEFTA Secretariat will coordinate the preparation of this agreement. Progress made in the implementation of the Additional Protocol on Trade in Services will be reported at the next Summit.*

For all the mentioned reasons, the current project is aimed to extend the support to CEFTA Structures by co-financing the regular functions of the Secretariat.

## **RELEVANCE WITH THE IPA II MULTI-COUNTRY STRATEGY PAPER AND OTHER KEY REFERENCES**

Priorities included in section 2.2 – Objectives, results, actions and indicators of Regional structures under Part IV of the IPA II Multi-country Indicative Strategy Paper 2014-2020<sup>2</sup> (hereafter referred to as Strategy Paper) mention the need to support efforts for improving the currently low levels of competitiveness, intra-regional trade and trade integration in global markets while enhancing the capacities of market participants. The Strategy Paper indicates that the support is to be provided through CEFTA and other trade-related organisations and identifies inter-regional trade and trade integration as vehicles for boosting competitiveness and innovation to allow participating in the global economy and improving the overall business environment including the capacity for innovation.

The Strategy Paper further recognises that a major step for the liberalisation of trade flows took place in 2006 through the signature and ratification of CEFTA. Efforts must now focus on the full implementation of the agreement by all signatory parties. The major issues on the agenda of CEFTA include the further reduction and eventual removal of non-tariff barriers to trade, improvement of trade logistics, harmonisation of norms and standards, as well as the protection of intellectual property rights and patents. Furthermore, according to the Strategy Paper *the role of the CEFTA secretariat in tackling obstacles to trade and free movement of goods and services in the region should be enhanced.*

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<sup>2</sup>C (2014)4293, 30.06.2014.

The working papers of the OECD on CEFTA recommend that the CEFTA Parties consider prioritising their efforts on the elimination of Non-tariff Barriers (NTB) to trade in the areas of transparency, synchronising harmonisation with EU and other international requirements, concluding mutual recognition agreements, identifying and agreeing on the applicability of EU/international regulations and standards, and increasing the use of risk management. In the area of liberalisation of trade in services, the OECD has established benchmarks evaluating trade restrictiveness in CEFTA Parties which provides a basis for the ongoing negotiations on services.

The World Bank has analysed the importance of trade services for CEFTA economies. It concluded that meaningful negotiations in this area first require improvements in statistical data.

## **LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE**

The implementation of the CEFTA Agreement is evolving into areas which demand technically complex negotiations such as liberalisation of trade in services, and trade facilitation. Such deepening of the implementation therefore requires more institutional and financial resources to contribute to competitiveness, investments and growth of the Region. Liberalisation of trade in services, and trade facilitation are also the areas of which implementation of the Agreement will require the involvement of various stakeholders in public and private sectors which might not so far take part directly in technical work done by the CEFTA Structures.

Sufficient resources for technical and financial assistance should be in place to cope with challenges of such extension and deepening to reach those strategic objectives.

The functioning of the CEFTA Secretariat has been financially supported by the EU through two contribution agreements since its establishment in 2008. Two additional contribution agreements to finance a CEFTA Project Facility (CPF) - a financial facility to contract short-term technical assistance - were signed in 2012 and in 2014 respectively. Additionally, in 2015 an annual contribution was extended (Support to CEFTA Secretariat 2015/2016 - operating grant) together with a three-year contribution ("Strengthening the CEFTA Structures and their implementation capacities" - action grant). An operating grant for one year duration (April 2017- March 2018) is approved under the 2016 multi-country programme, the current operating grant will start only after the previous one will have elapsed.

The CEFTA Secretariat has demonstrated a record of sound financial management. The CEFTA Parties have provided contribution to the functioning of CEFTA Secretariat since its establishment with an increasing share.

The CEFTA Parties will continue to co-finance the functioning of the Secretariat through contributing at least to 56% of the planned budget of the Secretariat for the years between 2018 and 2019.

## 2. INTERVENTION LOGIC

### LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	
To promote regional trade and investment linkages and policies that are non-discriminatory, transparent, predictable, and that enhance flow of goods, investment, services, and people within the region.	<ul style="list-style-type: none"> <li>- Increase intra-regional trade in goods</li> <li>- Increase of the regional rank in Domestic Market Access</li> <li>- Further facilitation of trade (import and export) in the CEFTA Region</li> </ul>	<ul style="list-style-type: none"> <li>- SEE Monitoring Framework assisted by OECD</li> <li>- CEFTA MIS</li> </ul>	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS
To continue supporting the Secretariat in its mandate of technical assistance provider for CEFTA members.	<ul style="list-style-type: none"> <li>• Trade liberalization agenda implemented</li> </ul>	CEFTA Secretariat mandate and annual work plan	CEFTA members will continue collaboration on implementing the trade liberalization agenda, working jointly within the framework of the Secretariat and relevant CEFTA structures.
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS
<ul style="list-style-type: none"> <li>• The implementation of the CEFTA Agreement promoted.</li> <li>• Enforcement of the decisions adopted by the CEFTA Structures to liberalise and facilitate trade strengthened</li> </ul>	<ul style="list-style-type: none"> <li>- No. of Mutual Recognition Agreements signed and N. of Ministerial Decisions adopted to facilitate trade and liberalise trade in services</li> <li>- % of solved dispute cases registered in the CEFTA Market access barriers database;</li> <li>- % of the quality of data available and CEFTA structure's capacity to manage them.</li> </ul>	<ul style="list-style-type: none"> <li>- Reports of CEFTA Structures</li> <li>- World Economic Forum, 'Global Enabling Trade'</li> <li>- CEFTA Market Access Barriers Database.</li> </ul>	CEFTA Structures have sufficient capacity to adopt the necessary legal framework to achieve results of the actions through its erga omnes measures thus securing their sustainability

## **DESCRIPTION OF ACTIVITIES**

The CEFTA Secretariat with its international core staff continues to support the CEFTA Structures in the implementation of CEFTA and coordinates the former with the implementation of the Integrated Growth Pillar of the SEE 2020 Strategy.

Planned activities refer to ongoing operations of the CEFTA Secretariat and go beyond the contract timeframe.

The CEFTA Secretariat will take care of the following activities:

### **A. Technical Advice and Guidance**

#### **A1. Technical assistance to the Chair in Office (CiO) and Joint Committee**

- Prepare for the approval of the Chair in Office and Joint Committee, an annual work programme to facilitate the timely and effective implementation of CEFTA, clearly identifying priority actions and the deadlines outlined in the Agreement
- Develop and implement an effective monitoring system for the implementation of all aspects of CEFTA within the set timetable
- Propose options to overcome obstacles arising in implementation for review and approval by CiO and Joint Committee
- Support implementation of the dispute settlement mechanism in line with the procedures set out in the Agreement
- Prepare for and follow-up all meetings of the Joint Committee including preparation of draft agenda, background papers, draft decisions and draft minutes for approval and adoption

#### **A2. Technical and administrative support to subcommittees and working groups**

- Provide technical support to the subcommittees and working groups, including advising on best practices, conducting research activities, performing periodic reviews and assessments, giving recommendations and guidelines.
- Prepare for and follow-up all meetings of the subcommittees and working groups including preparation of draft agenda, background papers, draft decisions and draft minutes for approval and adoption

#### **A3. Support the CEFTA Parties in implementation of trade and investment related components of the SEE 2020 Strategy.**

- Acting as regional dimension coordinator for the integrated growth component of SEE 2020 on behalf of the CEFTA Parties, and undertaking all the coordination tasks as foreseen by the RCC
- Coordinating monitoring actions related to the Integrated Growth
- Supporting SEE Investment Committee and CEFTA Joint Working Group on Investment Policy and Promotion

#### **A4. Elaboration of TA requirements**

- Liaise with representatives of the Joint Committee, subcommittees and working groups to identify and prioritise technical assistance needs
- Liaise with representatives of the European Commission, other relevant international institutions and/or bilateral donors to determine availability of necessary assistance
- Contribute in designing technical assistance to be financed by the European Commission, and other international donors
- Facilitate development and delivery of technical assistance programmes (including workshops, seminars, specialized courses in matters relevant to the three subcommittees, two working groups and other CEFTA related issues)
- Monitor the implementation of TA programmes



- Where appropriate provide specific technical support tailored to the ad hoc needs of the parties related to the implementation of the Agreement

#### A5. Administering CEFTA Project Facility

- Programming all technical assistance to be financed by the CEFTA Project Facility (IPA II funded initiative - CN 2015/356-738)
- Tendering and contracting the technical assistance projects to be financed by the CEFTA Project Facility
- Managing and monitoring the technical assistance contracts which are signed by the CEFTA Secretariat in the framework of CEFTA Project Facility

### **B. Management and administrative operations**

#### B1. Preparation of Meetings and CEFTA Related Events

- Provide administrative and logistical support to the Chair in Office and the Chairs of the subcommittees and working groups in the planning, organisation and delivery of Joint Committee, subcommittee, other expert ad hoc meetings
- Carry out various administrative organisational tasks in regard to meeting preparation (e.g. sending invitations, arranging participation of speakers and external experts etc)
- Maintaining the official archive of the Agreement in liaison with the Depository

#### B2. Reporting

- Preparation and submission of reports in line with requirements of CEFTA, European Commission and bilateral donors
- Regular progress reports on activities and future work programmes to the Steering Committee

#### B3. Financial management

- On-going implementation of the financial management system
- Prepare and submit financial reports to CEFTA Parties, the European Commission and bilateral donors in line with financing agreements
- Organise an annual audit
- Secure annual financial transfers from CEFTA Parties in line with decision adopted at the 2007 Joint Committee meeting
- Secure annual financing from the European Commission and bilateral donors in line with agreements and relevant procedures

#### B4. Performance monitoring and evaluation

- Review the structure, functions, staffing and management system on an annual basis
- Conduct evaluation and monitoring of the work of the Secretariat
- Identify training needs of the Secretariat staff to ensure a well-functioning office and to upgrade their professional skills

### **C. Promotional activities of the Secretariat**

#### C1. Development of Networks

- Develop and maintain lines of communication and co-operation with all trade/investment related public organisations in CEFTA Parties and in the international community.
- Development of network among main stakeholders in the regional and international business community in a quest to realize synergy and complementarities in trade related areas.

#### C2. Create focal point for information dissemination on trade related issues

- Maintain and regularly update the CEFTA website
- Maintain and regularly update CEFTA Trade Statistics
- Create and maintain IT data bases for CEFTA related trade issues to enhance transparency

### C3. Promotion of the CEFTA Agreement

- Organisation of workshops, seminars and regional events aimed at raising public awareness on the Agreement impact on the business community
- Participate as appropriate in relevant seminars, conferences etc.

### C4. Promotional activities of the Secretariat

- Regular promotion and communication with public, including semi-annual newsletters, press releases, brochures

## **RISKS**

The main risks associated with the implementation of the initiative include:

- Lack of political support to CEFTA Secretariat by CEFTA members does not provide the agreed contributions in terms of both qualified human resources as well as financial resources in due time to the Secretariat.

The Summit in Trieste in July 2017 will give an opportunity to secure the political ownership of CEFTA activities by including in the conclusions the role that should be devoted

## **CONDITIONS FOR IMPLEMENTATION**

Main condition for the timely and successful implementation of the initiative is the full commitment by CEFTA members to continue working towards the objective of facilitating trade in the Western Balkans and, within this framework to well as to benefit from the role of the Secretariat as technical service provider.

## **3. IMPLEMENTATION ARRANGEMENTS**

### **ROLES AND RESPONSIBILITIES**

In line with the priorities of CEFTA and of Chairmanship Annual work plan, the CEFTA Secretariat will develop detailed annual implementation plans, specifying results, activities and indicators. Unit A3 in DG NEAR will present the CEFTA Secretariat action plans to Commission geographical units in DG NEAR and relevant line DGs. The CEFTA Secretariat will be involved in this presentation and consultation process.

Ad hoc coordination and management meetings will be organised between Unit A3 and CEFTA Secretariat, including geographical units and line DGs where relevant.

Unit A3, together with the CEFTA Secretariat, will also facilitate the integration of the action with other trade related projects in the CEFTA area.

### **IMPLEMENTATION METHOD(S) AND TYPE(S) OF FINANCING**

The action is managed by the European Commission under direct management. The action will be implemented following the conclusion of a direct agreement (operating grant) for one year duration (April 2018- March 2019) with the CEFTA Secretariat, on account of its technical competence and high degree of specialisation.

The CEFTA Parties which are the signatory of the CEFTA agreement will continue to co-finance the functioning of CEFTA Secretariat providing at least 56% of the costs of the CEFTA Secretariat.

## 4. PERFORMANCE MEASUREMENT

### METHODOLOGY FOR MONITORING (AND EVALUATION)

The European Commission may carry out a mid-term, a final or an ex-post evaluation for this action or its components via independent consultants, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the European Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. The evaluations will be carried out as prescribed by the DG NEAR Guidelines on linking planning/programming, monitoring and evaluation. In addition, the action might be subject to external monitoring in line with the European Commission.

Given the role of the CEFTA Secretariat, CEFTA Structures as direct beneficiaries will act as a platform for the monitoring of this action. As described above, CEFTA agenda is merged with *Integrated Growth* agenda of the SEE 2020. Therefore, overall policy monitoring of this action will also benefit from the monitoring process of the SEE 2020. In addition, the bi-lateral Subcommittees between individual CEFTA Parties and the European Commission can contribute to monitoring the implementation of CEFTA Agreement.

Institutionally, a steering committee is to be established to report the implementation of the action. The Committee is to be composed by the CEFTA Parties, CEFTA Secretariat and the European Commission, and Regional Cooperation Council (RCC) as observer. Meetings might also involve organizations in charge of trade initiatives in the CEFTA area.

CEFTA Secretariat will perform effective and regular monitoring of the action in order to assess interim progress at a programme level, identify areas of failure and their reasons, and any immediate action to be taken to improve programme performance further.

CEFTA Secretariat will provide annual substantive reports of the action on progress achieved, based on results envisaged in the action plans, covering project outputs and outcomes.

CEFTA Secretariat will regularly transmit to the European Commission relevant information of its activities to assist in ensuring the appropriate visibility and co-ordination of the action. CEFTA Secretariat will ensure that the relevant European Commission services are kept informed of all developments.

European Commission services will evaluate progress in the achievement of expected results on the basis of indicators outlined in the action and specified in the Annex I to the Agreement and in the annual action plans. Annual reports issued by international organisations engaged in the fields of competitiveness and trade such as e.g. World Bank (Doing Business Report), OECD (SEE 2020 Monitoring Framework, FDI Restrictiveness Report) and World Economic Forum (Global Enabling Trade Report) will be valuable to evaluate the achievement of the specific objective and progress towards the overall objective.

Finally, other sources of information are other trade and competitiveness related project implemented in the region by Member States and regional and international organisations such as the RCC, the SEE Investment Committee, the United Nations Conference on Trade and Development (UNCTAD), the International Trade Center (ITC), the International Finance Corporation (IFC) and the OECD.

## INDICATOR MEASUREMENT

Indicator	Baseline (2010)	Target 2020	Final Target (2020)	Source of information
intra-regional trade in goods (Overall Objective)	2010 (Regional average) Export: EUR 6 534 321 Import: EUR 6 061 678	+ 140%	+ 140%	SEE 2020 Strategy Goals – Monitoring Framework assisted by OECD CEFTA MIS
Increase of the regional rank in Domestic Market Access (Overall Objective)	N/A	2 ranks on average for each IPA II beneficiary	2 ranks on average for each IPA II beneficiary	WEF Index
Further facilitation of trade (import and export) in the CEFTA Region (Overall Objective)	2006 (regional average) Export Documents to export (number): 6.5 Time to export (days): 23.5 Cost to export (US\$ per container): 1,089  Import Documents to import (number): 7.2 Time to import (days): 14.3 Cost to import (US\$ per container): 1,311	All CEFTA Parties will reach the EU average with regard to time, cost, and documents to trade.	All CEFTA Parties will reach the EU average with regard to time, cost, and documents to trade.	World Bank Doing Business Reports World Economic Forum, ‘Global Enabling Trade’ CEFTA MIS
Trade liberalization agenda implemented (Specific Objective)	No baseline for this indicator as the mechanism was not in place in 2010.	CEFTA Parties agree to eliminate the most trade distorting market access barriers which they are involved.	CEFTA Parties agree to eliminate the most trade distorting market access barriers which they are involved.	CEFTA reports and MIS

No. of Mutual Recognition Agreements signed and N. of Ministerial Decisions adopted to facilitate trade and liberalise trade in services (Result Indicator)	No baseline for this indicator as the mechanism was not in place in 2010.	Relevant legal framework is implemented to facilitate and liberalise trade in services.	Relevant legal framework is created to facilitate and liberalise trade in services.	CEFTA Reports
% of solved dispute cases registered in the CEFTA Market access barriers database (Result Indicator)	No baseline for this indicator as the mechanism was not in place in 2010.	Most relevant trade related disputes are solved (close to 100%).	Most relevant trade related disputes are solved (close to 100%).	CEFTA Market Access Barriers Database.

## **5. CROSS-CUTTING ISSUES**

### **GENDER MAINSTREAMING**

CEFTA promotes the participation of both women and men in the Conferences and the Regional Networking meetings as well as in the selection of the experts of the Beneficiaries to be seconded to the Secretariat. It will in particular be the Secretariat's role to ensure the gender balance in all events it is organising, as well as amongst its own staff.

### **EQUAL OPPORTUNITIES**

The CEFTA Secretariat is an equal opportunity institution which agrees not to discriminate against in any contract it may conclude with any person because of his/her race, colour, religion, national origin, sexual orientation, physical or mental disability, or age.

### **MINORITIES AND VULNERABLE GROUPS**

Not applicable.

### **ENGAGEMENT WITH CIVIL SOCIETY (AND IF RELEVANT OTHER NON-STATE STAKEHOLDERS)**

Representatives of private sector will be included as key stakeholders of the current action. The dialogue and communication mechanisms with private sector will be strengthened as a result of the current action, in particular in ensuring that relevant CEFTA structures are given the policy to enter in dialogue with private sector representatives wherever relevant. CEFTA Secretariat will be tasked to establish this dialogue.

### **ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)**

Not applicable.

Climate action relevant budget allocation: EUR 0
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## **6. SUSTAINABILITY**

The CEFTA Parties which are the signatory of the Agreement continues to co-finance the functioning of CEFTA Secretariat. The CEFTA Structures are intergovernmental bodies and the decisions taken by the CEFTA Joint Committee have the power of law for its Signatories as such decisions are stemming from the Agreement. Therefore, sustainability of the action is secured by the implementation of the Agreement and decisions of the CEFTA Structures.

Sustainability of CEFTA achievements is given by its modus operandi: the obligations are legally binding through an international treaty; the decision making process requires consensus of all parties; the Agreement has a dispute settlement mechanism as well as a well-defined mandate of working bodies at all levels (from experts to ministers) which inherently require that each Beneficiary positions are first clearly articulated to be then negotiate and harmonised at the multilateral level. This is the best guarantee that the agreed regional goals be translated into actions at Beneficiary level.

## **7. COMMUNICATION AND VISIBILITY**

Communication and visibility will be given high importance during the implementation of the action. The implementation of the communication activities shall be funded from the amounts allocated to the action and shall be the responsibility of the CEFTA Secretariat.

All necessary measures will be taken to publicise the fact that the Action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions. Additional Visibility Guidelines developed by the European Commission (DG NEAR) will have to be followed.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives and the accession process. Actions shall be aimed at strengthening general public awareness and support of interventions financed and the objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions and will promote transparency and accountability on the use of funds.