

**MEMORANDUM OF UNDERSTANDING
ON COOPERATION ON FACILITATION OF IMPORTS, EXPORTS AND
MOVEMENT OF GOODS IN THE WESTERN BALKANS**

PREAMBLE

We, the Western Balkan Participants referred to collectively as “the Parties” and individually as “Party”;

EXPRESSING the readiness to strengthen mutual relations and understanding, especially in the field of imports, exports and movement of goods, with an aim to eliminate the obstacles in mutual trade, to contribute to the progress of economic co-operation and to increase the scope of mutual trade exchange;

HAVING resolved to eliminate the obstacles to the mutual trade in goods and to progressively enhance trade relation we are ready to invite the other Western Balkan participants to join this Memorandum of Understanding in the spirit of inclusiveness, regional cooperation and with a view to improving the lives of all within region, and will reach out to each to encourage them and prepare for the implementation of the Memorandum of Understanding;

CONSIDERING that the improvement of mutual cooperation between competent authorities, responsible for customs and other controls and procedures, will contribute to the economic, commercial, financial, social and cultural interests of the Parties;

RECALLING the Agreement on Trade and Economic Cooperation between Republic of Serbia and the Republic of Albania, and the Agreement of Economic Cooperation between the Government of the Republic of Serbia and the Government of the Republic of Macedonia;

HAVING in mind the Central European Free Trade Agreement (CEFTA 2006), Additional Protocol 5 to CEFTA 2006, Decision of the Joint Committee of the Central European Free Trade Agreement establishing the validation procedure for the mutual recognition of CEFTA Parties national Authorized Economic Operators' Programmes with regard to the safety and security (AEOS), the Agreement between the Government of the Republic of Serbia and the Government of the Republic North Macedonia on Mutual Recognition of Authorized Economic Operator - Security and Safety (AEOS) Authorizations, the CEFTA Joint Committee Recommendation on Customs Risk Management Strategy, the CEFTA Joint Committee Decision on Facilitating Trade for Fruits and Vegetables, as well as the WTO Trade Facilitation Agreement;

TAKING into consideration the „Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the Republic of Serbia”, of the other part, and the „Stabilisation and Association Agreement between the Republic of Albania and the European Economic Community” and the Stabilization and Association Agreement between the European Communities and their Member States and the Republic of Macedonia;

HAVING in mind the Agreement between the Government of the Republic of Serbia and the Council of Ministers of the Republic of Albania on Mutual Assistance in Preventing, Investigating and Suppressing Customs Offenses and Agreement between the Federal

Government of the Federal Republic of Yugoslavia and Government of the Republic of Macedonia on Customs Cooperation and Mutual Assistance;

HAVING in mind the Agreement between the Ministry of Agriculture, Forestry and Water Economy of the Republic of North Macedonia and the Ministry of Agriculture and Rural Development of the Republic of Albania on phytosanitary cooperation and the Agreement between the Ministry of Agriculture, Forestry and Water Economy of the Republic of North Macedonia and the Ministry of Agriculture, Forestry and Water Management of the Republic of Serbia on phytosanitary cooperation;

TAKING into consideration the Action Plan on Common Regional Market in the Western Balkans adopted at the Sofia Summit in November 2020, Transport Community Treaty and Ljubljana Declaration on Border Crossing Facilitation signed during TEN-T Days 2018, as well as the joint engagement and elimination of all obstacles to the free movement of goods, people, services and capital, as foreseen in the Joint Declaration, signed by the leaders of the Republic of Serbia, the Republic of Albania and the Republic of North Macedonia in Novi Sad, in October 2019;

HAVING resolved to eliminate the obstacles to the mutual trade in goods and to progressively enhance trade relations;

TAKING into full account the importance of the positive contribution of trade facilitation to economic development;

HAVE DECIDED, in pursuance of these objectives, to conclude this Memorandum of Understanding (hereinafter referred to as "Memorandum").

Article 1 **General objectives**

The objectives of this Memorandum are:

- a. to increase and enhance the economic cooperation between the Parties,
- b. to simplify procedures related to imports, exports and movement of goods, to the greatest extent possible,
- c. to exchange data between customs and other competent authorities to the extent that each Party's legislation allows,
- d. to promote, through the expansion of mutual trade, the harmonious development of the economic relations between the Parties,
- e. to gradually remove barriers to trade in goods.

Article 2 **Simplification of formalities connected with importation, exportation and movement of goods**

The Parties should apply trade and procedures related to importation, exportation and movement of goods that are simple, reasonable and impartial.

The Parties will provide the renovation of bilateral agreements on the international road transport in order to alleviate the regime of transport permits for bilateral, transit and third parties, hence facilitating the transport and trade in Western Balkans.

The Parties shall reduce to the extent possible controls, formalities and the number of documents required to ensure compliance with a view to minimizing the incidence and complexity of import, export and movement formalities and documentation requirements, each Party shall ensure that such formalities and documentation requirements are:

- (a) applied with a view to a rapid release and clearance of goods;
- (b) applied in a manner that aims at reducing the time and cost of compliance and
- (c) the least trade restrictive measure.

The Parties should use efficient trade procedures, with a view to reducing costs and unnecessary delays in trade between them, based, as appropriate, on international standards, in particular the standards, guidelines and recommendations of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT), the World Trade Organization (WTO), the International Organization for Standardization (ISO), the World Customs Organization (WCO) including the principles of the Revised International Convention on the Simplification and Harmonisation of Customs Procedures (Revised Kyoto Convention), the Codex Alimentarius Commission, the World Organization for Animal Health, as well as the International Plant Protection Convention (IPPC) and the relevant international and regional organisations operating within the framework of IPPC.

Article 3 Transit

The customs authorities of the Parties shall cooperate in order to provide the conditions to simplify the transit procedure between them, to the greatest extent possible.

Article 4 Confidentiality and protection of information

All the information received under this Memorandum shall be deemed to be confidential and shall be treated with at least the same level of protection and confidentiality as such information is accorded by the legislation of the Party which received the information.

Article 5 Cooperation of customs and other competent authorities

Each Party should ensure that its competent authorities, responsible for customs and other controls and procedures dealing with the importation, exportation, and transit of goods, cooperate with one another and coordinate their activities in order to facilitate trade.

Controls carried out by the authorities referred to in paragraph 1 of this Article, shall primarily be based on risk analysis using electronic data-processing techniques, with the purpose of identifying and evaluating the risks and application of the necessary measures, on the basis of criteria developed at the Parties' and, where available, international level.

Article 6

Food safety, veterinary and phytosanitary issues

The Parties should make joint efforts to facilitate the movement of animals, products and food of animal origin and at the same time to prevent the introduction of contagious animal diseases and of the products and food of animal origin harmful to health, to develop cooperation in the field of veterinary and food safety, cooperation on the facilitation of movement of plants and products of plant origin, food and feed of plant and mixed origin while preventing the introduction of quarantine plant pests, to work on simplification of procedures in the field of food safety, to protect from introduction and spreading of harmful organisms on plants and plant products, to facilitate and deepen the mutual trade of plants and plant products and other objects and items, that are subject to phytosanitary inspection and to cooperate on the facilitation.

The competent authorities of the Parties shall inform each other of the veterinary-sanitary and phytosanitary requirements for import and transit of the goods.

The importation, exportation and transit of plants, products of plant origin and other objects subject to phytosanitary control (hereinafter referred to as „consignments”) may only be carried out if the phytosanitary requirements are met in accordance with the plant health regulations of the importing and transiting Party.

The Parties shall take all necessary phytosanitary measures to prevent the introduction of quarantine plant pests by the consignments of the plants and products of plant origin being exported, in accordance with the specific phytosanitary requirements of the importing and transiting Party.

Importation of food and feed of plant and mixed origin may only be carried out if the prescribed conditions are met in accordance with the food safety regulations in force in the importing Party.

The reports of officially authorized laboratories on testing of food and feed of plant and mixed origin and officially authorized laboratories on testing of food and feed of plant origin shall be mutually recognized by the competent authorities of the Parties.

On importation, consignments of food and feed of plant and mixed origin must be accompanied by the results of laboratory analyzes not older than four (4) months, carried out by accredited methods and issued by officially authorized laboratories.

Each Party reserves the right to control and examine consignments of food and feed of plant and mixed origin at importation.

The Parties shall officially appoint laboratories to carry out laboratory test and diagnoses on samples taken during phytosanitary controls. The Parties agree to mutually recognize the results of the laboratory analysis from officially authorized laboratories on samples taken from consignments that are subject of importation.

Where on importation it is determined that the consignment of food does not meet the prescribed food conditions of the importing Party, the competent authority of the importing Party shall immediately inform the competent authority of the exporting Party thereof and take action in accordance with its domestic rules.

The competent authorities of the Parties shall notify each other of measures restricting or prohibiting the importation of food and feed of plant and mixed origin.

The competent authorities of the Parties shall exchange the forms of veterinary and phytosanitary health certificates accompanying the consignments to the Parties and shall notify each other of their amendments.

The competent authorities of the Parties shall determine the persons competent for cooperation and coordination of activities in the area of animal health, phytosanitary issues and food safety.

Article 7

Free movement of food products

The Parties should make joint efforts to facilitate movement of foodstuffs, i.e. new food, food for specific population groups (infant and toddler food, food for special medical purposes, substitutes for a complete daily diet for people on a weight loss diet), dietary supplements (dietetic supplements), food with altered nutritional composition (food for persons intolerant to gluten, substitutes for salt for human consumption, foods fortified with vitamins, minerals and other substances with nutritional or physiological effect, etc.), salts for human consumption and food production, food additives, food flavors, food enzymes, food production aids, drinking water in original packaging (natural mineral, spring and table water) and at the same time prevent the introduction of infectious food borne diseases and unsafe products harmful to human health, as well as develop cooperation in the field of food safety and work on simplifying procedures in the field of food safety.

Products from paragraph 1 of this Article can be additionally specified in separate Annex.

The competent authorities of the Parties shall inform each other of the conditions for importation of foodstuffs consignments referred to in paragraph 1 of this Article.

The competent authorities of the Parties shall exchange the forms of health certificates accompanying the consignments to the Parties, and shall notify each other of their amendments.

Article 8

Free movement of industrial non-food products

The Parties should make joint efforts to promote mutual trade, remove technical barriers to trade in industrial non-food products by enabling the free movement of industrial non-food products in a way that does not restrict international trade, while ensuring the required level of product safety and protection of life and the health of people, animals and the environment.

Based on ISO/IEC Guide 68 - Arrangements for the recognition and acceptance of conformity assessment results, and having in mind the importance of the status of their accreditation bodies as signatories to the EA MLA with the European co-operation for Accreditation (EA), the Parties should make joint efforts for the purpose of simplification of the procedure of the certificates of conformity, and also mutual acceptance of test reports from accredited laboratories relating to industrial non-food products, as long as the accreditation bodies of the Parties have the status of signatories of the agreement, which enables the mutual recognition of the equivalence of the accreditation system to the extent that includes the area of testing

laboratories (EA MLA). The Parties may extend the scope of cooperation in terms of the scope of accreditation and the achievement of the objectives and the subject of this Memorandum.

Article 9 **Final provisions**

This Memorandum shall enter into force on the day of the last notification by which the Parties inform each other that their internal procedures for the entry into force of the Memorandum have been met.

This Memorandum may be amended upon mutual consent of all Parties.

The Memorandum shall remain in force indefinitely unless one of the Parties notifies its intention to withdraw from this Memorandum. In such case the Memorandum shall be terminated 30 days after the date of such written notification.

Any dispute that may arise in the application of this Memorandum shall be settled by mutual consent through the competent authorities of the Parties.

The implementation of this Memorandum shall not prejudice the fulfillment of the obligations of the Parties under bilateral and multilateral international agreements to which one of the Party is a signatory or arising from their membership in international and regional organizations. The Parties shall apply the standards, rules, regulations and procedures of the international organizations of which they are members.

Concluded in Skopje, on July 29, 2021 in three original copies, in Serbian, Albanian, Macedonian and English languages, all the texts being equally authentic. In case of divergence of interpretation of this Memorandum, the English text shall prevail.

Aleksandar Vučić
President of the Republic of Serbia

Edi Rama
Prime Minister of the
Government of Republic of Albania

Zoran Zaev
President of the Government of the Republic of
North Macedonia
