Proposal for a

COUNCIL DECISION

on a Community Position concerning the working parties established by the Co-operation Agreement between the European Community and the former Yugoslav Republic of Macedonia and taken over by the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the former Yugoslav Republic of Macedonia, of the other part

(presented by the Commission)
EXPLANATORY MEMORANDUM

Under Article 33 of the Co-operation Agreement between the European Community and the former Yugoslav Republic of Macedonia, which entered into force on 1 January 1998, a Co-operation Council was established. The Co-operation Council adopted its rules of procedure by virtue of Decision No 1/98 of the European Community-Former Yugoslav Republic of Macedonia Co-operation Council of 20 March 1998. Accordingly, under Article 36 of the Co-operation Agreement, working parties were set up to assist the Co-operation Council in carrying out its duties and operating procedures were defined.

The Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the former Yugoslav Republic of Macedonia, of the other part, which was concluded to make for early entry into force of the trade and trade-related provisions of the Stabilisation and Association Agreement, entered into force on 1 June 2001. Article 37 of this Agreement provides for the Co-operation Council to perform the duties assigned to it by that agreement according to the same modalities as practised so far in the context of the Co-operation Agreement.

Now that the Interim Agreement on trade and trade-related matters has entered into force, the current structure of the working groups is no longer perfectly suited to the duties of the Co-operation Council. An adjustment of the structure and terms of reference of the working parties is therefore proposed so as to better reflect the different areas covered by the Interim Agreement.

Article 7(3) of the above-mentioned Decision No 1/98 of the Co-operation Council of 20 March 1998 stipulates that the Co-operation Council can at any time modify the terms of reference of the working parties and terminate their existence, or establish new working parties.

The authorities of the former Yugoslav Republic of Macedonia have been consulted and accept the proposed approach.

As laid down in Article 3 of Council Decision 97/831/EC of 27 November 1997 concerning the conclusion of the Co-operation Agreement, the position to be taken by the Community within the Co-operation Council relating to the rules of procedures of the Co-operation Council shall be adopted by the Council by a simple majority on a proposal from the Commission.

The Council is therefore asked to approve the attached proposal.
Proposal for a

COUNCIL DECISION

on a Community Position concerning the working parties established by the Co-operation Agreement between the European Community and the former Yugoslav Republic of Macedonia and taken over by the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the former Yugoslav Republic of Macedonia, of the other part

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Article 3 of Council Decision 97/831/EC of 27 November 1997 concerning the conclusion of a Co-operation Agreement between the European Community and the former Yugoslav Republic of Macedonia,1

Having regard to the proposal from the Commission,

Whereas:


(2) Article 33 of the said Agreement establishes a Co-operation Council, which adopts its own rules of procedure.

(3) Article 36(1) of the said Agreement provides for the setting-up of working parties to assist the Co-operation Council in carrying out its duties.

(4) Article 36(2) stipulates that the operating procedures of these working parties are to be defined in the rules of procedure of the Co-operation Council.

(5) The Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the former Yugoslav Republic of Macedonia, of the other part,3 entered into force on 1 June 2001.

(6) Article 37 of the said Agreement provides for the Co-operation Council to perform the duties assigned to it by that Agreement according to the same modalities as practised so far in the context of the Co-operation Agreement.

(7) The rules of procedure of the Co-operation Council established by the Co-operation Agreement between the European Community and the former Yugoslav Republic of

Macedonia were adopted by Decision No 1/98 of the European Community-Former Yugoslav Republic of Macedonia Co-operation Council of 20 March 1998.\(^4\)

(8) Article 7(3) of the said Decision stipulates that the Co-operation Council can at any time modify the terms of reference of the working parties and terminate their existence, or establish new working parties.

HAS DECIDED AS FOLLOWS:

_Sole Article_

The position concerning working parties to be adopted by the Community within the Co-operation Council established by Article 33 of the Co-operation Agreement between the European Community and the former Yugoslav Republic of Macedonia shall be based on the draft Decision of the Co-operation Council attached to this Decision.

Done at Brussels,

_For the Council_

_The President_

ANNEX

DECISION No 2/2002 OF THE EUROPEAN COMMUNITY – FORMER YUGOSLAV REPUBLIC OF MACEDONIA CO-OPERATION COUNCIL

of …

cconcerning the changing of its rules of procedure

…/…/…

THE CO-OPERATION COUNCIL,

Having regard to the Co-operation Agreement between the European Community and the former Yugoslav Republic of Macedonia, and in particular Articles 33 and 36 thereof,

Having regard to the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the former Yugoslav Republic of Macedonia, of the other part, and in particular Article 37 thereof,

Having regard to the rules of procedure of the Co-operation Council established by the Co-operation Agreement between the European Community and the former Yugoslav Republic of Macedonia, and in particular Article 7 thereof,

Whereas:


(2) The Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the former Yugoslav Republic of Macedonia, of the other part, entered into force on 1 June 2001.

(3) The rules of procedure of the Co-operation Council established by the Co-operation Agreement between the European Community and the former Yugoslav Republic of Macedonia were adopted by Decision No 1/98 of the European Community-Former Yugoslav Republic of Macedonia Co-operation Council of 20 March 1998,

HAS ADOPTED THIS DECISION:

Sole Article

The Annex to Decision No 1/98 of the European Community-Former Yugoslav Republic of Macedonia Co-operation Council of 20 March 1998 is hereby replaced by the text in the Annex to this Decision.

Done at …

For the Co-operation Council

The Chairman
ANNEX

WORKING PARTY ON ECONOMIC AND FINANCIAL MATTERS

Terms of reference

1. The general objectives of the working party are a review of economic developments and policies as well as the monitoring and joint analysis of economic, technical and financial co-operation in accordance with Articles 4, 10 and 11 of the Co-operation Agreement between the European Community and the former Yugoslav Republic of Macedonia and Articles 31 and 32 of the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the former Yugoslav Republic of Macedonia, of the other part, with a view to contributing to the economic development of the former Yugoslav Republic of Macedonia and strengthening economic ties between the former Yugoslav Republic of Macedonia and the European Community.

2. The working party shall deal in particular with the following specific subjects:
   – macroeconomic developments and policies in the European Community and the former Yugoslav Republic of Macedonia;
   – structural reforms, including financial sector reform;
   – development of small and medium sized enterprises/entrepreneurship;
   – facilitation of the movement of capital and its progressive liberalisation;
   – statistical systems.

WORKING PARTY ON AGRICULTURE AND FISHERIES

Terms of reference

1. The general objective of the working party is to deal with agricultural, processed agricultural and fishery products. The working party shall monitor implementation of the obligations of the Parties in these sectors and conduct a joint analysis of co-operation in agriculture in accordance with Articles 6 and 9 of the Co-operation Agreement between the European Community and the former Yugoslav Republic of Macedonia and Articles 11 to 17, Annexes III, IV and V and Protocol 3 of the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the former Yugoslav Republic of Macedonia, of the other part, as well as the Wine protocol.

2. The working party shall deal in particular with the following subjects:
   – examination of problems related to the development of the agricultural sector, agricultural policy and rural development in the former Yugoslav Republic of Macedonia and in the European Community;
   – processed agricultural products;
   – fisheries and aquaculture;
veterinary and phyto-sanitary matters and examination of the possibility of developing co-operation in this area;

food safety.

**WORKING PARTY ON INTERNAL MARKET AND COMPETITION**

**Terms of reference**

1. The general objective of the working party is a review of legislative reform in the former Yugoslav Republic of Macedonia. The working party shall establish priorities, identify policies, and monitor and analyse alignment of the legislation of the former Yugoslav Republic of Macedonia on Community legislation, in accordance with Article 68 of the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the former Yugoslav Republic of Macedonia, of the other part, and Articles 33 to 35 of the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the former Yugoslav Republic of Macedonia, of the other part.

2. The working party shall deal with the gradual approximation of the legislation of the former Yugoslav Republic of Macedonia with the Community *acquis* in the sectors linked to the internal market and in particular in the following specific areas:

   - competition and State aid;
   - intellectual, industrial and commercial property rights;
   - public procurement;
   - company law;
   - accounting;
   - data protection;
   - standardisation, certification, conformity assessment and market surveillance;
   - consumer protection.

**WORKING PARTY ON TRADE, IRON and STEEL PRODUCTS, CUSTOMS AND TAXATION**

**Terms of reference**

1. The objectives of the working party are to discuss and monitor all matters relating to commercial policy and to co-operation in customs matters, in accordance with Articles 2 to 10, 18 to 30, and 36, Annexes I and II and Protocols 1, 2, 4, and 5 of the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the former Yugoslav Republic of Macedonia, of the other part.

2. The working party shall deal in particular with the following issues:
– free movement of goods: monitoring of implementation of the obligations of the Parties and discussion of any difficulties which might arise in the commercial regime for industrial products, including textiles and iron and steel products;

– trade-related aspects of intellectual, industrial and commercial property rights;

– trade-related aspects of public procurement;

– trade-related aspects of standardisation, certification, conformity assessment and market surveillance;

– customs co-operation and discussion of all matters relating to the implementation of the rules of origin, and as appropriate the protocol on mutual assistance, the anti-fraud clause and any other matter relevant to the customs enforcement sector;

– exchange of information on compatibility and developments in the field of taxation.

3. For the purposes of implementing Protocol 2 on steel products of the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the former Yugoslav Republic of Macedonia, of the other part, this working party shall convene as the “Contact Group on Iron and Steel products”.