

Joint Committee Meeting

Skopje, 21 November 2014

REPORT BY THE CHAIR
THE SUBCOMMITTEE ON TBT AND NTBs

November 2014

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The purpose of this document is to report on the activities of the CEFTA Subcommittee on TBT and NTBs in the period of 1 January to 21 November 2014.

In the reporting period, the Subcommittee on Technical Barriers to Trade and Non-tariff Barriers to Trade held one meeting on 27 May 2014 in Podgorica. The Working Group on TBT held two meetings, on 5 March and on 3 June in Brussels. The third meeting of the Working Group on TBT is scheduled for 4 December 2014 in Podgorica.

THE WORK PROGRAMME OF THE SUBCOMMITTEE

At its ninth meeting held in Podgorica on 27 May, the Chair presented a one-year Work Programme. The Work Programme relies on the three-year Strategic Work Programme (2013-2015) developed under the Chairmanship of Macedonia.

Montenegro expressed its commitment to continue with the work of its predecessors on the activities of identification and reduction of NTBs in mutual trade among CEFTA Parties.

Parties praised the well-prepared programme and supported the implementation of the activities envisaged for the current year, especially in relation to the SEE2020 objectives of the Pillar 1 on Integrated Growth.

The Work Programme was adopted.

I ELIMINATION OF NON-TARIFF BARRIERS TO TRADE

○ Multilateral Monitoring Framework for Elimination of NTBs

At the ninth meeting, the OECD representatives presented the analysis of the supply chains in the food and beverage sector and its linkage to the trade flows in the region. The preliminary analysis showed that three group of products (fruit and vegetables juices, sausages and baked products) could be deemed as good examples for regional supply chain linkages.

As a first step, the OECD proposed to focus on above mentioned three product groups, and in order to to conduct a full value chain analysis, a domestic production and domestic consumption data should be calculated, sector input/out tables constructed for the region, and an assessment of the level of transposition and harmonisation with EU and international standards performed in the next period. Once the NTBs analysis is completed, the matrix

developed in the NTBs Strategic Guidelines the OECD will recommend the appropriate policy response for action.

The OECD announced that within the existing project, which ends in November, the assessments were scheduled to be conducted during summer, and first results can be presented already to the members in November. The new cycle of the project which is planned for 2015 will focus on the link between trade and supply chains and other set of products will be included.

The OECD presented the same findings at the CEFTA Subcommittee on Agriculture and SPS held on 9 and 10 June 2014 in Skopje.

The Regional Roundtable on NTBs under the auspices of OECD is scheduled for 18 November 2014 in Skopje.

- **Key Issues in Trade amongst CEFTA Parties**

The Parties used the forum of the Subcommittee to exchange the information on pending and new issues in intraregional trade.

The Secretariat presented the analysis of issues currently recorded in the MADB, and discussed with participants the difficulties they face in uploading the data. The Parties were urged to update a number of cases in relation to the status, provide full details of a specific issue, response to other Parties, etc. The importance of regular providing of relevant information was highlighted. The Parties were invited to contact the Secretariat if they need any assistance in the process.

II WORKING GROUP ON TECHNICAL BARRIERS TO TRADE

The Working Group on TBT held two meetings, ninth meeting on 5 March and tenth meeting on 3 June, both in Brussels.

At the ninth meeting, Parties discussed the proposed text of the Work Programme of the Subcommittee on NTBs and TBT that relates to specific TBT activities and priorities of the Montenegrin Chairmanship in 2014.

In relation to the priorities stated in the Programme, several topics were discussed: (i) extension of the mandate of the WG on TBT; (ii) multilateral agreements on cooperation between national accreditation bodies and national standardization bodies; (iii) establishment of regional association of conformity assessment body CEFTALAB.

Majority of Parties supported the proposal to have multilateral agreements amongst NSBs and NABs. Some expressed interest that these agreements should stay general in nature and not include the provision on mutual recognition, while one Party did not see the relevance of having two multilateral agreements in the area of accreditation, since the agreement on mutual recognition of accreditation is more vital than the general one.

Concerning the CEFTALAB, some Parties have their national associations, while others are in the process of their establishment, and since this is a precondition to have a regional association, this initiative could take some time to be realized, but the support to the regional action was expressed at the meeting.

Due to the budget constraints, the Parties expressed the concern related to participation in future meetings. The Secretariat assured that whenever there is a possibility, the official CEFTA meetings would be convened back to back with financed trainings, workshops etc, to facilitate the participation of members.

On the topic of concluding the Agreement on Conformity Assessment, it was agreed to have a workshop supported by TAIEX on this topic, where the discussion can be extended to other relevant stakeholders including the representatives of accreditation, market surveillance, etc.

Parties reported on the dynamics of harmonization of technical legislation and adoption of standards. Detailed information can be found in the report from the meeting.

With regards to the notifications, the Parties were invited to regularly notify the technical regulation, conformity assessments and national standards according to the templates adopted. The Secretariat informed that the establishment of the online notification was underway and is expected to be fully operational in September.

Regarding the development of quality infrastructure part of the TBT Platform, the IPA Quality Infrastructure Project presented the specific activities to support the activities of the Working Group. It was agreed that the Parties provide the Project with the texts of relevant legislation, while the Project would classify the documents and information according to the Concept Paper of the Secretariat.

At the tenth meeting, held on 3 June in Brussels, the Parties discussed in detail the specific provisions of the multilateral agreements in accreditation and in standardization. It was agreed to continue the consultations via email with the final deadline by 5 September. The draft agenda of the TAIEX Workshop on principles and practice of mutual recognition agreements was discussed. The Parties agreed to send their proposal on specific topics to the Secretariat by 13 June. No proposals were received by the deadline. The Chair informed the Secretariat after

consulting with Parties that there was no sufficient interest for having this Workshop held by the end of 2014.

The eleventh meeting of the WG on TBT is scheduled for 4 December 2014 in Podgorica. The focus of the meeting will be placed on: (i) finalization of drafting of multilateral agreements in accreditation and in standardization; (ii) report on progress in harmonization of relevant legislation; (iii) discussion on open issues on concluding Agreement on Conformity Assessment.

III ENHANCING TRANSPARENCY AND IMPROVING INFORMATION EXCHANGE AND NOTIFICATION

○ Notification

At the meeting held on 27 May, the Secretariat reported on the notification status of technical regulations, conformity assessment and national standards in accordance with the Article 13.3 (b) of the Agreement.

Regarding the technical regulations, conformity assessment procedures, there were no new notifications of Parties to the CEFTA Secretariat. When it comes to the national standards, the Secretariat received 5 notifications from Macedonia and 96 notifications from Serbia.

○ Transparency

At the SC meeting of 27 May and WG on TBT meeting of 3 June, the Secretariat informed Parties on the progress in establishing the TBT platform. The assistance in collecting data was received from the IPA Quality Infrastructure. At that stage, the major part of data was gathered and the verification of information by the Parties was underway. In parallel, in cooperation with GiZ, the Secretariat worked on software solution of the TBT Platform as well as the whole concept of the Transparency Pack, which comprises the Market Access Database, SPS Database, TBT Platform and Trade Portal. The responsible IT Company presented the demo of the TBT Platform and other databases in the Transparency Pack to the members.

The Secretariat invited members of the Subcommittee to nominate the persons who will be responsible for populating the TBT platform. A tailor made workshop on using the database for persons in charge of notifications was organized under the auspices of GiZ on 22 October 2014 in Belgrade.

IV COORDINATION OF THE ACTIVITIES WITH CEFTA FORUM OF CHAMBERS OF COMMERCE

At the meeting of the CEFTA Subcommittee held on 27 May, the representatives from the Chamber of Economy of Montenegro presented their activities within the CEFTA Forum of Chambers.

The CEFTA Forum WG on NTBs and TBT held their regular meeting on 25 April 2014 in Podgorica. The focus of the meeting was placed on the support to: (i) the elimination of barriers and increased efficiency in their reporting to the authorities; (ii) signing of the Agreement on Conformity Assessment; (iii) multilateral agreements in the field of standardization, accreditation and metrology amongst relevant authorities of the region; (iv) intensifying the activities on the establishing of the risk analysis system; (v) regular exchange of information and participation at the meetings of the CEFTA Subcommittee on NTBs and TBT.

V TECHNICAL ASSISTANCE

In the reporting period, the technical assistance was engaged to support the implementation of the Work Programme of the Subcommittee:

Elimination of NTBs. The assistance was provided by the OECD team within the project Multilateral Monitoring Framework on Elimination of NTBs. The analytical work on trade flows was done in the sphere of agri-food sector and linked to the existing and potential supply chains in the region with the aim to detect the sources of potential barriers to trade.

Establishment of the TBT Platform. The assistance was ensured through the IPA Quality Infrastructure Project on collecting and classifying the required data and GIZ on engaging the IT company to develop the software solution and set up the system. The tailor made workshop was held on 22 October 2014.