

## EXECUTIVE SUMMARY

### **3<sup>rd</sup> Meeting of the CEFTA Subcommittee on Non-Tariff Barriers to Trade and Technical Barriers to Trade**

2 and 3 June 2011

Sarajevo, Bosnia and Herzegovina

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The third meeting of the Subcommittee on Non-Tariff Barriers to Trade and Technical Barriers to Trade was held in Sarajevo, on 2 and 3 June 2011 under the Chairmanship of Bosnia and Herzegovina. The meeting was attended by all CEFTA Parties except Moldova. The members of the Subcommittee discussed ways to combat existing NTBs and decrease the possibilities of imposing new ones, while agreeing on the need for improved transparency and more intensive cooperation with the private sector.

The annual Work Programme of the Subcommittee prepared by the Chair was officially adopted.

#### ***MAIN POINTS OF THE THIRD MEETING***

##### **1.1. Multilateral monitoring framework and priority sectors for elimination of NTBs.**

The Chair presented achievements to date in the implementation of the Multilateral Monitoring Framework for reducing and eliminating NTBs among the CEFTA Parties. In order to approach the tasks ahead in a timely manner, Bosnia and Herzegovina elaborated an annual Action Plan for implementation. Mr. Fanelli of the OECD, who was actively engaged in the elaboration of the Framework, made reference to the key elements of the process and announced the next activities to take place during the summer and early autumn. Following questions by the Parties, he clarified that two sets of indicators were developed, one for the specific sectors/products and the other of a general nature. Due to the scope of the assessment, the private sector will not be directly involved (only indirectly in the section on administrative barriers). The OECD recognised the limitation of administrative capacities and suggested that the assessment and self assessment were done in parallel, where the independent assessors would assist and consult with the administrations before submitting their final report. The report on the assessment is expected to be completed in late October 2011 and will also comprise recommendations at the Party level, an indicative programme of work for the next cycle, and the projections which can be realistically achieved in the multilateral context. The OECD is committed to communicating the instructions and all assessment-related documents (methodology note, composition of the team, templates, etc.) to the Parties by 24 June 2011 as well as a tentative action plan with a timetable of envisaged expert missions. If appropriate, the Parties are willing to consider having another subcommittee meeting in the margins of the Budapest Roundtable in order to discuss the recommendations for the Joint Committee.

**Matrix on raised issues.** The Parties reported on recent cases with a potential to hamper intraregional trade. The Chair invited parties to come up with proposals on the further development and improvement of the Matrix as a useful tool for ex-post recording of the NTBs.

Parties agreed that a visual distinction of different categories in the Matrix could improve its overall quality and transparency. It was agreed that the Secretariat prepares a draft proposal and circulates it for comments and further elaboration to the Parties by 15 June 2011.

**Report of the working group on TBT.** The Chair of the Working Group on TBT reported on the last meeting held in Belgrade, on April 19 2011. The focus of the meeting was on reaching agreement on preconditions for mutual recognition which should also be in line with the EU

system. He explained that the Parties agreed that in cases where the laboratory test had been done by the accredited laboratories and the accreditation body of that country signed the MLA with EA for testing laboratories, and the testing had been done in accordance with the regulations and standards of the importing country, this report should have been automatically recognised by all CEFTA Parties for the accreditation scheme subject to this matter. Furthermore, the Parties agreed that if there is no signed MLA for the accreditation system of for example two Parties, which is the most frequent case, a meeting of accreditation bodies should be organised in order to conclude that their system of accreditation is of the same value and in accordance with that of the EU model.

Following the same principle, the Serbian and Bosnian accreditation bodies signed an agreement which could serve as a model for other Parties. This provided an opportunity to the ministries of both countries to sign the agreement on the recognition on laboratory tests at the beginning and to recognise other conformity assessment documents and certificates at a later stage.

Finally, the Parties reached an agreement in the case where there is no agreement between the accreditation bodies, that there is always the possibility for one country to propose its own laboratory for the recognition of its tests. That laboratory should pass the examination from the importing country by the relevant institutions from the importing country.

Mr. Norris of the IPA Quality Infrastructure Project announced the Meeting of the accreditation bodies representatives on 21 June 2011 in Athens and promised to introduce this initiative of the WG on TBT in order to discuss it and seek possible solutions. The results of this discussion will be then communicated to the members of the Subcommittee allowing them enough time to report to the JC.

Macedonia informed the Parties on potential GIZ support with the objective to (i) eliminate TBT for industrial products, (ii) increase product safety, (iii) develop the capacities of market surveillance administrations and (iv) promote cooperation among relevant market surveillance institutions in the CEFTA Parties. The first phase of this initiative could be carried out from September 2011 to the end of 2012.

**CEFTA Trade Portal.** Following the official launch of the Portal in November 2010, Ms. Kastrati gave an overview on the activities on updating and maintenance of the Portal. Respecting the goals set for the period of 2010-2012, she informed the Parties that the first update was almost completed; the upgrade (seventh category of Public Procurement) was added and the standardising of the texts and foreseen revisions were expected to be done by December 2011. Moreover, additional features of the Portal could include frequently asked questions and a user friendly search engine similar to a simplified TARIC-like system. Promotional activities would aim for even greater visibility and the plan is already prepared by the GIZ.

It was agreed that the Parties appoint and communicate the names of the ad hoc Task Force members to the Secretariat by 30 June 2011. The members will follow up on the forthcoming transition of the Portal to the Parties.

Finally, the Parties discussed the second draft of the MoU on transferring the Portal beyond September 2012. It was agreed that BiH prepares a relevant amendment to Article 8 which currently foresees individual access for the updating of the Portal. The responsibility for editorial control could be assumed by the Task Force which could be then converted into a regular body. All comments regarding the MoU draft should be sent to the Secretariat together with the appointment of the members for the ad hoc Task Force by 30 June 2011.

**Transparency Issues.** The Chair reminded Parties on their obligation (Article 13.3.b of the Agreement and Ministerial Conclusions 2011) to notify any technical regulations and standards in the process of adoption that could potentially hamper trade in the region. The collected

information on notifications will be reported to the Joint Committee. Responding on questions posed by some Parties, the Chair explained that the deadlines for the notification of domestic regulation and for the transposition of EU directives are set in the CEFTA Agreement (Article 13.3. (b)) and could therefore not be changed.

The Parties agreed to reopen the discussion on the document containing the procedure and the format of the notification with the objective to increase the level of detail and clarity of the text. The proposals are to be sent to the Secretariat by 30 June 2011.

**Cooperation with the private sector.** Mr. Midhat Cehajic from the Foreign Trade Chamber of BiH reported on the activities of the CEFTA Forum in the area of NTBs. The Working Group on NTBs of the Forum held its meeting in Sarajevo on 1 June 2011, where the most frequent NTBs were discussed (such as complicated procedures for imports at the border, lack of mutual recognition agreements, etc.) and potential solutions sought. Inter alia, the Forum urged for more intensive cooperation with the CEFTA Subcommittee on NTBs and TBT, signing of the protocol on mutual recognition of certificates on phytosanitary control between BiH and Serbia and speeding up the process of harmonisation of necessary technical regulations. They also informed that a new format of notification was developed (available on the website ([www.komorabih.ba](http://www.komorabih.ba))) and the notification of NTBs would start immediately. Regarding the questionnaire on NTBs it was agreed to send it to the OECD who will then use it in the assessment phase of the monitoring instrument for NTBs.