

SUPPORT FOR TRADE FACILITATION AND ELIMINATION OF NON-TARIFF MEASURES IN CEFTA

BACKGROUND

Since trade in goods is almost fully liberalised among the CEFTA Parties through the elimination of tariffs, trade facilitation and reduction and eventual removal of Non-Tariff Barriers to Trade (NTBs) are key items on the CEFTA agenda.

A number of different studies and the CEFTA Market Access Barriers Database make it clear that NTBs are still a substantial issue in the region. Trading with CEFTA Parties requires more documents and a higher number of samples and physical controls in all clearance stages than trading with EU Member States, even for traders that have always been fully compliant with existing rules and procedures. This makes trade in the region more time consuming and expensive.

Moreover, although most of the Parties have been implementing risk management (particularly in Customs), they lack joint risk profiles and risk based controls in many border agencies such as SPS authorities. Although the CEFTA Market Access Barriers Database provides some information about non-tariff measures in bilateral trade between CEFTA Parties, a systematic detection of the existing market access barriers that includes all clearance stages has not been conducted, nor has a comprehensive analyses for their elimination been undertaken.

Therefore it has been proposed to take a product-oriented approach (focusing on a number of most traded products or those with high export potential to be selected in agreement with CEFTA Parties) and examine the three main dimensions that affect free trade of goods in the CEFTA region:

- a. Non-Tariff Measures stemming from non-harmonized legislation and practices
- b. Redundant and overlapping document and data submission requirements that traders are requested to produce
- c. Excessive and redundant physical inspections at the border clearance procedures

OVERALL OBJECTIVE

The overall objective of the projects is to boost competitiveness and innovation among the CEFTA Parties by facilitating greater participation in the global economy and improving the overall business environment.

The specific objective of the Action is to facilitate regional trade in the CEFTA region through the reduction and eventual removal of the most distortive non-tariff measures to trade for a number of selected products, and through the simplification of trade related procedures.

ACTIONS AND ACTIVITIES

The Action includes 3 components:

- **Component 1 - Harmonization of norms and practices**
 - Analyse trade related legislation and practices in all clearance stages against the EU *Acquis* and international rules
 - Identify measures that are in contradiction and provide a set of country-specific recommendations and road-maps for the elimination of the most distortive measures

- **Component 2 - Streamlining of document and data submission requirements**

- Systematic mapping of documents and data required by each of the CEFTA Parties for selected supply chains
- Cross-checking between the Parties and benchmarking with EU and international standards
- Identify redundancies and overlaps in data submission requirements
- Propose a number of country-specific and regional recommendations

- **Component 3 - Simplification of control clearance procedures**

Strengthen the Beneficiaries' risk management systems and support the CEFTA Parties to extend the scope of information exchange among cus-

toms Authorities and between Customs and other governmental authorities through implementation of implement the CEFTA Authorised Economic Operator (AEO) Programme, which is to be established on the basis of national AEO programmes

IMPACT ON CEFTA

- Increase of the overall value of trade in goods and services of the region
- Increase of intra-regional trade in goods
- Increase in the regional trade balance

SUMMARY PROJECT INFORMATION

Dates:	2016 - 2019
Budget:	€ 3,000,000
Partners:	EU MS, international organisations and CEFTA
Financiers:	EU (IPA)
Beneficiaries:	Ministries responsible for trade and agriculture, customs administrations, technical agencies and private sector

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